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ANNUAL REFUGEE CONSULTATION

HEARING

BEFORE THE

SUBCOMMITTEE ON
IMMIGRATION AND REFUGEE POLICY

OF THE

COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE

NINETY-NINTH CONGRESS

FIRST SESSION

ON

THE SEVENTH ANNUAL CONSULTATION BETWEEN THE ADMINISTRATION AND THE SENATE ON REFUGEE ADMISSIONS

SEPTEMBER 17, 1985

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ANNUAL REFUGEE CONSULTATION

TUESDAY, SEPTEMBER 17, 1985

U.S. Senate,
Subcommittee on Immigration and Refugee Policy,
Committee on the Judiciary,
Washington, DC.

The subcommittee met at 9 a.m., in room 562, Dirksen Senate Office Building, Hon. Alan K. Simpson (chairman of the subcommittee) presiding.

Also present: Senators Simon, Kennedy, and Grassley.

Staff present: Richard W. Day, chief counsel and staff director; Carl Hampe and Deborah Gibbs.

OPENING STATEMENT OF HON. ALAN K. SIMPSON, A U.S. SENATOR FROM THE STATE OF WYOMING, CHAIRMAN, SUBCOMMITTEE ON IMMIGRATION AND REFUGEE POLICY

Senator **Simpson**. Good morning, and a very warm welcome to you, Mr. Secretary. It is a real pleasure to have you with us, and to have you share your views with us. I note that this is the second consecutive year you have testified before the committee which I believe, indeed, indicates your great interest in this issue.

This is the seventh annual consultation between the administration and the Senate on refugee admissions, and I have participated in each and every one of those discussions and consultations. I very much look forward to this one today on refugee admissions for fiscal year 1986.

Certainly, America can be proud of its hospitality to refugees. No other nation has responded more generously to the needs of refugees from all parts of this planet and, yet, we are not alone. Asian, African, and European nations have provided first asylum to millions of refugees this past year, and countries such as Canada and Australia have shown great generosity in assisting us in internationalizing the resettlement effort.

Since the consultation in 1984, I have visited Southeast Asia with a particular interest in our refugee program in Thailand. I filed a report replete with conclusions and recommendations which is available in the committee offices. However, I would like to highlight one or two of those recommendations this morning:

One, we have come to a crossroads in our Southeast Asian resettlement program. In recent years, we have strayed into the mire of confusing those coming to the United States as immigrants with those who flee political persecution to seek refuge in America. I believe it is time to use our regular immigration laws to bring family reunification immigrants to the United States while reserving procedures under the Refugee Act for the true refugees. I believe we must follow this two-pronged approach to retain the integrity of our immigration program.

Two, I believe we must provide safe camps and educational and administrative training opportunities for those hundreds of thousands of Khmer who are residing near the Thai/Cambodian border. These are not persons who should be processed as refugees for resettlement in third countries—a view also shared by our friends in Canada and Australia. However, they should be provided safety on the border to await their eventual repatriation or the time when they can join their relatives as immigrants, and during this period, it is extremely important that they be provided with educational opportunity and administrative training.

The witnesses this morning will testify to the world refugee situation and how this administration proposes to address our responsibility for assisting and resettling refugees in the next fiscal year.

So, with that, Mr. Secretary, I know your terribly busy schedule, and we will look forward to having you address the issue today, and we will be greatly appreciative and attentive. I do thank you so much for being present.

All right, sir. Nice to have you.

STATEMENT OF HON. GEORGE P. SHULTZ, SECRETARY OF STATE, ACCOMPANIED BY JAMES N. PURCELL, JR., DIRECTOR, BUREAU FOR DEFENSE PROGRAMS, DEPARTMENT OF STATE

Secretary SHULTZ. Thank you, Mr. Chairman. I appreciate the opportunity to be here.

I have listened carefully to your opening remarks, and we have had chances to discuss this matter otherwise, and I certainly subscribe to and agree with the general trend of the comments that you have made.

It is a pleasure to consult with you on the U.S. refugee admissions ceiling for fiscal year 1986. This annual consultation affords the administration and the Congress an opportunity to discuss the refugee situation in the world and the humanitarian response to this situation by the United States.

Since the end of the Second World War, the United States has provided haven to literally millions of refugees. They have arrived in waves: First from Eastern Europe, then from Cuba, then, in the 1970's, from the Soviet Union and, most recently, from the countries of Indochina. All of these countries and regions continue to produce refugees, and the United States accepts more of them than any other resettlement country. We are a Nation founded by refugees, and our national life has been reinvigorated throughout our history by recurring waves of refugees. I think it is well that we remember this as we consider the question of how many new refugees we should admit to the United States in the coming fiscal year.

This is the second consecutive year in which I have been privileged to present the President's refugee admissions proposal to the Congress. In doing so, I would again like to thank the members of this committee for their continuing support for the U.S. refugee program—which includes both the admission of refugees to the

United States, and the important overseas assistance efforts to which the United States contributes.

PROPOSED REFUGEE ADMISSIONS IN FISCAL YEAR 1986

Mr. Chairman, I now turn to the President's proposal for refugee admissions in fiscal year 1986. The President proposes to establish a ceiling of 70,000 for refugee admissions to the United States in the coming year. This total will be broken down into 3,000 for refugees from Africa; 40,000 for East Asia first asylum; 8,500 for the Orderly Departure Program from Vietnam; 9,500 for refugees from Eastern Europe and the Soviet Union; 3,000 for refugees from Latin America and the Caribbean; and 6,000 for refugees from the Near East and South Asia.

The President is proposing a ceiling of 3,000 for Latin America and the Caribbean in the hope that Cuba will end its suspension of the United States-Cuban Migration Agreement of December 1984. If, however, Cuba does not terminate its suspension of the migration agreement, a portion of the numbers will be transferred on a quarterly basis to other regional ceilings to accommodate unforeseen increased admission needs. If these numbers are not needed elsewhere, they will be allowed to lapse.

As was the case last year, the President wishes to maintain a separate ceiling for admissions under the UNHCR's Orderly Departure Program [ODP] from Vietnam. This separate ceiling serves two purposes. It reassures the ASEAN countries that an expanding ODP will not mean a decrease in resettlement from the first asylum camps; and it sends a clear signal to Hanoi that the United States is prepared to make good on its offer to accept a large number of Amerasians and "re-education camp" prisoners.

Aside from the uncertainties connected with the Cuban and Vietnamese programs, the proposed regional admissions ceilings should be adequate to provide for refugee resettlement needs during the coming fiscal year.

THE UNITED STATES AND THE WORLD REFUGEE SITUATION

Once again in 1985, the United States has played a major role in responding to urgent refugee needs—both through lifesaving assistance overseas and through resettlement in the United States where necessary. Although this consultation is primarily concerned with refugee admissions, I would like to mention briefly the U.S. role in assisting refugees abroad.

The United States continues to provide the largest share of financial support for the office of the United Nations High Commissioner for Refugees [UNHCR]—some 30 percent of its budget, or $107 million, in fiscal 1985—as well as for other international relief organizations, such as the International Committee of the Red Cross—over $26 million in this fiscal year. The United States maintains its leading role in support of the U.N. Relief and Works Agency in the Near East [UNRWA]—initially providing $67 million in contributions for this coming year, and then an additional $8 million from the President's Emergency Fund to help UNRWA avoid a curtailment of services due to extraordinary budget problems. It is our hope that these international organizations will take an even more active role in providing assistance to refugees in the coming year.

The United States has been deeply involved during the past year in providing emergency assistance to refugees and others suffering from the effects of drought and civil conflict in Africa. The U.S. Government will have contributed almost $200 million for all aspects of refugee assistance in Africa this fiscal year alone. I would note, in particular, our rapid intervention in Sudan in response to requests for assistance from the UNHCR and the Government of Sudan which contributed to the saving of thousands of refugees' lives.

Other notable developments in the U.S. refugee program during the past year have been:

The continued expansion of the UNHCR's Orderly Departure Program from Vietnam. Some 14,000 refugees and immigrants will leave Vietnam under this program in fiscal year 1985 for new lives in the United States. Continued expansion of the ODP is essential to our goal of ending—or at least diminishing—the dangerous phenomenon of clandestine flight by sea from Vietnam.

Through our contributions to the U.N. Border Relief Operation [UNBRO] and other international relief organizations, we have played a principal role in ensuring that Cambodians forced to flee into Thailand in order to escape Vietnamese armed attacks have been able to maintain some semblance of a normal life.

Elsewhere in Asia, U.S. contributions to refugee assistance in Pakistan have helped sustain the 2.5 million Afghan refugees there, and allowed them to pursue their lives while awaiting the day when they can finally return to their embattled homeland.

In Central America, the growing vitality of the Duarte government is attested to by the continuing return of Salvadoran refugees to their country from Honduras. The United States applauds this development and will continue to provide assistance, both through international organizations and bilaterally, to help those who return.

A major achievement of the past year was aborted when Fidel Castro announced the suspension of the United States-Cuban Migration Agreement just after the first Cuban expolitical prisoners had arrived in the United States on March 20. The United States is prepared to resume processing of refugees in Havana as soon as Cuba decides to reactivate the migration agreement.

THE INDOCHINESE REFUGEE SITUATION TODAY

Mr. Chairman, our large Indochinese resettlement program is at a transition point. The root cause of the refugee problem in Southeast Asia is clear. The outflow of refugees from Vietnam, Cambodia, and Laos is a direct result of the imposition of Communist oppression on the people of these countries. The United States has responded to this great human tragedy by offering new homes and the chance to live in freedom to hundreds of thousands of Indochinese refugees. The goal of the U.S. refugee program has been to treat these refugees from persecution in as humane a fashion as possible. I believe that history will pass a favorable judgment on our efforts.

Over the last 10 years, some 755,000 refugees have arrived in the United States from Indochina. About 52,000 of the 71,000 total refugee admissions in fiscal year 1984 came from Indochina. The same proportion is expected in fiscal year 1985. Even though current resettlement programs have declined dramatically from high levels of 1980–82, we believe they have been responsive to the true humanitarian needs of the region.

As with any program, however, we must continue to be sensitive to the need to balance refugee resettlement from Southeast Asia with other U.S. interests and concerns. Indochinese refugee resettlement must be balanced against other, regional solutions; balanced as a fair share of an international resettlement effort; balanced in terms of its budgetary implications; balanced in terms of other immigration and domestic policy considerations; and balanced against the need to provide resettlement to deserving refugees from other parts of the world.

To achieve this balance, the United States—working with the UNHCR and other nations—is pursuing measures to address the remaining refugee problems in Southeast Asia. There are two general categories of measures that either have been implemented or are being considered.

First, increasing emphasis is being placed on international and bilateral measures to reduce the number of persons arriving in first asylum countries who do not meet refugee criteria.

An example of this type of measure is the Lao screening program initiated on July 1, 1985, by the Thai Government. This program, which is being monitored closely by the UNHCR, is designed to identify the true refugees as defined in international law. Essential to the successful operation of this program is agreement by Laos to allow the safe return of those found ineligible for refugee status. We are following the results of this program with great interest.

The second category of measures is aimed specifically at assuring that the U.S. refugee program fits the current situation in the region. Available evidence suggests that people leave the Indochinese countries today for a variety of reasons: To escape persecution, to seek a better standard of living, or to join family members who have previously fled. Our objective is to ensure that the U.S. refugee resettlement program is available exclusively to those who have been persecuted or have a well-founded fear of persecution if returned to their homelands, and who cannot reasonably expect to voluntarily repatriate or resettle in another country. Those who have left their homes primarily for reasons of family reunification should, to the degree possible, use normal immigration programs which have been established for that purpose. In this connection, we will continue to work on improving the availability and use of safe and orderly migration programs from the countries of origin.

In furtherance of this second approach, the relevant agencies have been studying the proper use of departure mechanisms for the future, including the increased use of normal immigration channels for the family reunification segment of the Indochinese resettlement program. Our intention is to take a regional approach to the use of immigration, as well as refugee admissions, and to include all ethnic groups within this approach.

Also, I am commissioning a high level, independent panel that will be going to Southeast Asia in the near future with a broad mandate to assess the refugee situation and to make recommendations on necessary changes in U.S. policy.

I want to emphasize that, as we review the refugee situation as it exists in Southeast Asia today, we will continue to be guided by our bedrock concern for humanitarian principles. Furthermore, our national refugee policy will continue to be based on thorough consultations with the Congress, with the first asylum countries in the region, other primary resettlement countries, and the UNHCR.

NON-RESETTLEMENT SOLUTIONS IN SOUTHEAST ASIA

While resettlement remains a necessary means for dealing with the refugee situation in Southeast Asia, other solutions within the region must be pursued more vigorously. Such measures, in particular, the alternative of voluntary repatriation with appropriate safeguards and international monitoring, may require negotiation of agreements by the UNHCR with the states concerned.

THE U.N. HIGH COMMISSIONER'S ORDERLY DEPARTURE PROGRAM FROM VIETNAM

In our consultations with the Congress last September, I announced, on behalf of President Reagan, two special initiatives for expanding the High Commissioner's Orderly Departure Program from Vietnam.

One of these initiatives called for the admission to the United States of all Amerasian children and close family members from Vietnam over the 3 fiscal years 1985 through 1987.

The second initiative called for the resettlement in the United States of political prisoners currently and previously confined in Vietnam's so-called reeducation camp prisons and their qualifying family members, totaling 10,000 persons over the 2-year period, 1984-86.

The United States presented these two Presidential initiatives to the Vietnamese in Geneva last October.

We have had success in nearly doubling the number of Amerasians released by the Vietnamese—almost 4,000 children and family members this year compared to 2,200 in fiscal year 1984—however, the Vietnamese failed to reach our goal of 5,000 for the first year.

We are, however, greatly disappointed that the Vietnamese have not as yet responded positively to our proposal for the reeducation camp prisoners. After the initial presentation, the United States has twice proposed to Vietnam that we meet to continue discussions on this proposal but, so far, the Vietnamese have not agreed. In unofficial conversations, Hanoi has indicated that it is backing off from its earlier announced willingness and commitment to allow these people to be resettled in the United States.

Mr. Chairman, I would like to reaffirm again today that the United States is profoundly concerned about the continued imprisonment of these people, and that we remain ready and willing to accept them—both former and present prisoners—and their families for resettlement in the United States as soon as the Vietnamese authorities will allow them to leave. This is a purely humanitarian matter and should not be made dependent on the settlement of the political differences that separate our two countries.

Next month, we will be meeting with Vietnamese representatives in Geneva, under UNHCR aegis, to discuss the operation of the Orderly Departure Program. Our goal remains the expansion of this vital international program. We will be seeking agreement by Vietnam to improvements in the operation of the ODP which will enable more Amerasian children and other persons of special humanitarian concern to the United States to leave Vietnam via this safe and humane route. We are prepared—as we were last year—to hold bilateral talks with the Vietnamese on our humanitarian initiative to resettle the former and present "reeducation camp" prisoners.

It is our intention to continue to maximize the use of immigrant visas for family reunification within the ODP, thereby reserving refugee numbers for those who have no alternative but to leave as refugees.

ASSISTANCE TO CAMBODIAN BORDER POPULATION IN THAILAND

Mr. Chairman, the large population of displaced Cambodians living in evacuation camps in Thailand is of intense concern to the United States. I had an opportunity during my visit to Thailand in July to meet and talk with some of these heroic people of Cambodia who have been driven from their homeland by Vietnamese armed attacks on their border encampments. The violence of the latest attacks—occurring over the period from November 1984 through April 1985—was such that the entire border population of over 225,000 people—men, women and children—was driven into Thailand. You saw them too. The Government and people of Thailand and the U.N. Border Relief Operation (UNBRO) have responded magnificently to the plight of these victims of Vietnamese aggression. The United States will continue to provide support to this population and to the people of Thailand whose lives have been disrupted by the impact of Vietnam's attacks.

Mr. Chairman, we and the other resettlement countries support the policy of the Royal Thai Government that the evacuees from the border area should be provided all necessary assistance, but that resettlement abroad should not be viewed as the solution to their plight. However, we have decided, subject to Thai Government approval, to initiate a limited program to unite close family members with relatives already in this country primarily through immigration-type channels. This program will include those eligible for immigrant visas, "Visas 93" for spouses and unmarried minor children, and selected use of humanitarian parole for close dependents in the two preceding categories.

Also of special concern to the United States are a group of Vietnamese who have fled overland to the Thai-Cambodian border and were evacuated into Thailand along with the Cambodian border population. Although the United States has previously accepted some of them for resettlement, approximately 4,500 remain under Red Cross protection at one of the evacuation sites, which also houses a much larger number of Khmer border evacuees. Because of our concerns about the unique security problem of this small but especially vulnerable population, we are supporting a Red Cross initiative to obtain agreement to relocate the land Vietnamese to a separate and more secure location. As soon as necessary security provisions and international cooperation can be obtained, the United States is prepared to initiate a limited program to resettle those with close family ties to the U.S. and those of particular humanitarian concern, such as former "reeducation camp" inmates.

The United States is greatly concerned about the quality of life in the evacuation camps. We will be working with UNBRO and the Royal Thai Government to upgrade camp conditions and to ensure security for camp inhabitants. In addition, the administration—and the Congress—are looking at ways that this large Cambodian community can be provided an opportunity for educating its young people so that they can be better prepared for the day when they can return to their homes on the other side of the border. The Royal Thai Government has also expressed an interest in the education of these Cambodian children. In consultation with the Congress, we will be working with the Thai and with various international organizations, and with the Cambodians themselves, to devise a program to respond to this important need. And certainly it is something that makes an emotional impact on you to visit there and sense the determination of those people to govern themselves, to educate their young, getting what help they can, and their determination in the end to return to Cambodia and to their homes, and certainly that is the spirit we want to see perpetuated.

COMPLETING RESETTLEMENT PROCESSING FOR CAMBODIAN REFUGEES

The United States has been in the forefront of the effort to resettle qualified refugees from the population of Cambodians in UNHCR camps in Thailand. The approval rate for Cambodian refugees seeking resettlement in the United States has been over 90 percent, one of the highest for any group of refugees. Since the beginning of Cambodian resettlement processing in 1975, the United States has taken over 130,000 and other countries have resettled over 60,000. This is a record of which we can all be proud.

Recently, public and Congressional interest has been focused on the processing of remaining Cambodian refugees in Thailand for resettlement in the United States. The Subcommittee on Asian and Pacific Affairs of the House Committee on Foreign Affairs held a hearing on July 31 at which this subject received a thorough review. It should be clear to all concerned that the objective of the U.S. refugee program remains the fairest possible consideration of all applicants for refugee admission. However, where there are indications that a refugee applicant has participated in the persecution of others, he cannot, under U.S. law, be granted refugee status, unless he can prove that he has not participated in such activities. Determining whether or not someone engaged in the persecution of others during the period of Khmer Rouge atrocities in Cambodia is a difficult and time-consuming task. I believe that the U.S. Immigration and Naturalization Service, working closely with the Department of State and the concerned voluntary agency representatives, has reviewed the denied cases in a just and reasonable manner. The established review mechanism, which was formalized last February, remains in place to reconsider denied cases.

REFUGEE ADMISSIONS FROM OTHER REGIONS

Mr. Chairman and members of the committee, although we extend a strong and helping hand toward the refugees of Southeast Asia, we must not forget the needs of the millions of refugees in other regions of the world. In most cases, these refugees do not require third country resettlement. They are being given long-term asylum in Pakistan, throughout Africa and in Central America. Our goal and the goal of the High Commissioner for Refugees is to assist these people to maintain themselves until they can return safely to their home countries. A certain number of them will continue to require resettlement in the United States, and we have made provision for their admission to this country in our proposed admissions ceilings for fiscal year 1986.

I would like to note in particular the need to address refugee admissions backlogs of Eastern Europeans, Iranians, and Afghans. Our goal in the Near East is to continue to provide resettlement opportunities in the United States for those refugees with close ties to this country and for those of special concern, such as members of the persecuted Iranian religious minorities. We plan to continue to provide resettlement for a fair share of Eastern European refugees, who flee to Western Europe. Hopefully, the proposed ceilings will reduce the waiting time for these applicants.

Despite fluctuations in departure rates in recent months, there does not appear to have been any basic change in the Soviet policy of restricting emigration. As in past years, I will reiterate to the Soviet Foreign Minister when I meet with him later this month that the Soviet Union has an obligation, undertaken when it signed the Helsinki Accords, to permit those who wish to join their families abroad to do so.

As already mentioned in the discussion of our contingency plan to transfer unused numbers from the Latin American admissions ceiling to other regions in fiscal year 1986, the United States remains ready to reactivate the United States-Cuban Migration Agreement on short notice. When Fidel Castro suspended the agreement in May, some 1,800 ex-political prisoners and accompanying family members had been tentatively approved for refugee status. Our goal is to bring these and other former prisoners to the United States, along with their families. We hope that Castro will soon decide to drop his unilateral suspension of the migration agreement, making possible a continuation of our program for ex-political prisoners in Cuba.

PROVIDING ADEQUATE FUNDING FOR THE REFUGEE PROGRAM

Refugees are an international responsibility, but traditionally the United States has been the leader in rallying support for assistance to the burgeoning world refugee population. Working through the UNHCR, the International Committee of the Red Cross and other organizations, the United States has made protection of those fleeing oppression a key component of its foreign policy. By assisting the persecuted, we demonstrate our own attachment to the values of freedom and human dignity. It would be a severe blow to these values if, due to well-meant but misguided attempts to save money, the Congress sustained the large cuts in refugee program funding proposed by the House Appropriations Committee in July. These cuts—amounting to $45 million from an administration request of $338 million—when combined with $9 million in earmarks added by the Congress, would leave insufficient funds to operate a viable worldwide refugee program.

At the funding level currently being proposed by the House Appropriations Committee, we would have to drastically reduce refugee admissions in fiscal year 1986. A sudden drop, from the fiscal year 1985 level of 70,000 admissions, would seriously threaten the preservation of first asylum for refugees in Southeast Asia and elsewhere in the world.

Similarly, the funds available for relief and assistance would be inadequate to maintain subsistence and survival for thousands of refugees in Southeast Asia, the Middle East, Pakistan, and Latin America. Our African relief efforts would also be affected adversely.

All of us recognize the need to restrain expenditures in the coming years, but our foreign policy interests and humanitarian concern for refugees at home and abroad cannot be carried out if these budget cuts are sustained. The President's fiscal year 1986 request for refugee programs already reflected the need for budget restraint.

CONCLUSION

In conclusion Mr. Chairman, in the 12 months since I last appeared before this committee, we have accomplished much on behalf of refugees. The President's initiatives in favor of Amerasian children and political prisoners in Vietnam remain at the top of our agenda of unfinished business. We will continue to pursue a solution to the other persistent and difficult refugee problems in Southeast Asia, In close consultation with Congress and our allies, we will examine new approaches to dealing with these problems. With the cooperation of the Congress, we will maintain our commitment to those refugees in need of life-sustaining assistance in Africa, Asia, and Latin America. We must not forget that the great majority of refugees today are found in the poorest countries of the world and can only be helped through international efforts. With the support of Congress and the American people, we will keep our doors open to refugees of special concern who suffer persecution at the hands of tyrannical governments and for whom there are not effective and humane alternatives.

The cost of our refugee programs is small compared to the vast needs that they must address. To those of you on this committee, and to your colleagues elsewhere in the Congress who have given your active support to the President's refugee assistance budget request, I express my appreciation. This is truly a nonpartisan program and one that deserves your strong support.

Thank you, Mr. Chairman.

Senator **Simpson**. Mr. Secretary, thank you. That was a very thoughtful presentation, and we appreciate having that testimony. I think it will be most helpful to the subcommittee.

I just have two questions, then I will go to the ranking minority member of the subcommittee for any statement and any questions, and then to our new member of the subcommittee, Senator Simon of Illinois.

Mr. Secretary, as you know, Senator Kennedy and I are comanaging the Immigration Control Act on the floor, and we are in our fourth day of that activity, or fifth.

Anyway, when I visited the Khmer refugee camps in April of this year, I was given to understand that the 230,000 Cambodians in camps along the Thai border were regarded as displaced persons and were not regarded as refugees by the Thai Government or the U.N. High Commissioner's Office or the Canadian or Australian Governments.

Are we beginning any kind of program there that would eventually lead us to the processing of all of those 230,000 plus and many tens of thousands of other persons who may seek their way into Thailand when word of such a program became known?

When you speak of raising expectations, indeed it seemed as if that would be so. Where are we with that issue?

Secretary **Shultz**. We are not starting a program that would lead to the result that you identified. We are, as I said in my testimony, engaged in a program that is relatively small in scale and directed particularly at people who basically would qualify for immigration treatment. Not entirely but basically. So we are trying to properly meet the situation but carefully not do it in a manner that would raise the expectation that you fear.

Senator **Simpson**. And that is a case-by-case operation, is it not?

Secretary **Shultz**. Yes, sir. I think also, at least as I sensed it, and granted a brief visit is not a basis for a firm conclusion, but as I sensed it and listened to others, those people want to go back to their homes in Cambodia. And they recognize that they have to somehow create a life for themselves for awhile. And it is in our interest to help them do so. They want to govern themselves, to set up their schools, to set up health facilities and so on, all of which fits into the idea as you expressed it in your opening statement of having the capacity to operate effectively when they do return to their own country. And so that is their orientation, and it seems to me that is what we want to encourage.

Senator **Simpson**. Mr. Secretary, there was recently an article in a publication in national circulation concerning the situation in which our refugee program brought to the United States for resettlement some 50 Cambodian citizens, all of whom are from the same family. You would be surprised by the amount of mail received by the subcommittee on that article. And I would be remiss if I did not ask you today how is it that our laws and refugee programs are used to bring in and finance the resettlement of 50 people all from the same family, without using any portion of the legal immigration policies in the United States, understanding fully the full span of the system, and understanding fully too the waiting period and the backlog?

I understand those things. Perhaps you or your aides here today could address that question briefly for me, please.

Secretary SHULTZ. I would like Mr. Purcell to respond to that, if I may, Mr. Chairman.

Mr. PURCELL. Mr. Chairman, I also received hundreds of letters on this issue. As you recall, the Parade article was making a case for reuniting the mother and father who were still on the border with one of the principal applicants here.

As you know, these were people who were in Khao-I-Dang, having suffered through the atrocities of the Pol Pot era, unquestionably refugees.

Also, as you recall, a basic tenet of our refugee program is to reunite families in as quick a timeframe as possible. We believe that the people in question had several bonds in common. One, they suffered the atrocities of Pol Pot, and they were family members, related by blood. As far as I am concerned, this is exactly what the refugee program intended.

Had there been time for normal immigration processing to work, certainly over time we could have reunited much of that family through normal immigration. But the urgency here was to get them out as quickly as possible. And I think it was a very proper use of the refugee mechanism as endorsed by the Congress.

Senator SIMPSON. Mr. Secretary, I do think that that is something that bears our close attention. We either use and utilize our present procedures and definition of a nuclear family—which is different in this United States than other ports of the world—or we interpret their definition of a very extended family of even 50 family members. It is not an objection. It is a reality, and we can deal with it. And I think that it will be helpful to do so, so we can maintain our compassion for the true refugee, which is what we are trying to do.

One other question and then to the other members of the subcommittee.

I would like to see the United States, with regard to the Orderly Departure Program, take out of Vietnam as high a percentage as possible of immigrant visa applicants or Amerasians or persons of special humanitarian concern to us, as opposed to persons of interest to the Vietnamese.

At the time that I was in Thailand, less than 30 percent of those coming out under ODP were on our list, which was the reason why we held our hearings and did what we did. I recognize that is a very difficult matter to negotiate in view of the lack of diplomatic relations, but I would be most grateful for any comments you might have of how we make this program serve our interests. How can it be made an American program and not primarily a Vietnamese program, and would it not be wiser to reduce the program than increase it under the present circumstances. For example, I saw that immigration was working with Amerasian children, yet often Amerasian children are brought out under refugee numbers. That is not what we had in mind when we passed that humanitarian piece of legislation, but the ODP gives the Vietnamese an opportunity to expel the people they have been wanting to expel for a long time and not the wretched boat people that we have our hands and hearts open to.

I would like your response to that.

Secretary SHULTZ. Thank you, Mr. Chairman.

It is no longer true that there is a United States list and a Vietnamese list, and that somehow the Vietnamese get more of their people onto the final departure list than we do.

Originally, there were two lists and we agreed that anyone whose name appeared on both lists would be eligible to leave. As the lists grew, it became apparent that this was an unworkable system for a large scale program. The procedure now is as follows:

We communicate to the Vietnamese authorities, those persons who are of particular interest to the United States. Meanwhile, the SRV issues exit permits and schedules interviews for people it believes qualified for the U.S. program, exercising its veto over anyone it will not allow to leave. At the same time, the SRV issues permits to some of the persons, but not in sufficient numbers, in our view, of particular interest to the United States.

After persons are interviewed by the UNHCR, we determine their eligibility for admission to the United States based upon our laws and criteria. The criteria we use to determine eligibility are the same as for first asylum refugees plus normal immigrant visa beneficiaries and U.S. citizens. These persons of particular interest to the United States include: American citizens; spouses and children of American citizens or residents; former U.S. Government employees; Amerasian children; and former reeducation camp political prisoners, mostly former, but some current. The United States also has an interest in obtaining the departure of people who are legally qualified for immigration since immigration is based largely upon close family relationship with someone already in the United States. All of the above persons of special concern totalled about 42 percent of total ODP departures in fiscal 1985 through May 31. I repeat that we insure that even those who are not included in the special 42 percent are, nonetheless, fully qualified under our publicly stated criteria. So that is the procedure.

Senator SIMPSON. Do we have INS persons in Vietnam when we do the interviewing yet?

Mr. PURCELL. We have INS persons in our office in Bangkok and occasionally on the flights.

Senator SIMPSON. I think the sooner we do that the better off we will be instead of having the INS in a position where they ask the questions in Bangkok instead of asking their questions in Vietnam.

How many do we plan to accept of those interviewed by the UNHCR?

Mr. PURCELL. Our approval rates in this program are low because the processing goes through so many, many levels of review to verify beneficiary levels.

I might just add, Senator, just one comment. This year, through May, we brought out 11,500 people of the categories of special concern to us. We are approaching the reciprocity goal we specified this past year. I think it is beginning to show some results.

Senator SIMPSON. Thank you.

Let me go to Senator Kennedy, the ranking minority member of the subcommittee, who has been most helpful in these matters.

Senator Kennedy.

OPENING STATEMENT OF HON. EDWARD M. KENNEDY, A U.S. SENATOR FROM THE STATE OF MASSACHUSETTS

Senator KENNEDY. Thank you very much, Mr. Chairman.

I just want to join you in welcoming the Secretary and thanking him for his statement this morning and the reaffirmation of the administration's position in support of a strong refugee program and for strong commitment to the various international agencies involved with refugees.

I know the administration, as well as many of us, are constantly reviewing the effectiveness of these agencies. We have a strong financial commitment, and I think all of us want to and be able to maintain that commitment when they are responsive to their own mandates. And this is something I know the chairman is concerned about. I am as well, but I want to express my appreciation for your statement this morning reaffirming this administration's strong commitment to the refugee program.

I would ask that my statement be included in the record.

Senator SIMPSON. Without objection.

Senator KENNEDY. Mr. Secretary, can you review the movement of people in the Ethiopian/Sudan area? I know Mr. McPherson has returned recently and has observed some movement back to rural communities in Ethiopia. But as all of us know, there are still very substantial food shortages within Ethiopia and also the Sudan, yet there is some return that is taking place. Perhaps the Department can give us additional information beyond what you might be able to comment on today. But I would be interested in what you might be able to tell us about that.

Secretary SHULTZ. There has been movement. I am going to ask Mr. Purcell to give you a detailed answer. And I would like to make a comment after he is through.

Mr. PURCELL. Senator Kennedy, during the fall and early months of this fiscal year, over 300,000 Ethiopians fled into Sudan. Sizable numbers also went to Somolia. They were provided for there by the UNHCR, and the voluntary agencies, by a program that gradually improved over time.

We think that about approximately 50,000 have returned. We will have to await further progress on rainy season's agricultural productivity, et cetera. There are indications, however, that renewed fighting in certain parts of Ethiopia may in fact prompt an additional flow into the Sudan, which we are monitoring. On the whole, I think the governments of asylum there have done a very credible job. The United States itself has committed over $200 million on behalf of refugees this fiscal year. I think the response of AID, in providing substantial amounts of food aid, has helped to keep literally hundreds of thousands of people alive.

Secretary SHULTZ. Back in 1974 when I was Secretary of the Treasury—this was 1973—I went to a meeting in Rome at which the Finance Ministers of the world considered the financial crisis precipitated by the oil price increases. While I was there, I was accorded the privilege of an audience with the Pope. I went with my wife. We were told that we would have a 10-minute audience.

The Pope engaged me in a conversation about the implications of the increase in oil prices, and I was astonished at how much he knew about what was going on. The time went on and on, and I decided it was up to me to end this conversation and that I should do so on a humorous note. And remembering that it was a mild winter in Europe that winter, I told him that I had to admit that the mild weather in Europe had done more to solve the crisis than anything the Finance Ministers had been able to think of. And we all thanked him for his intervention. And he did not laugh. [Laughter.]

He looked at me and said, "Mr. Secretary, you may be sure it will continue." [Laughter.]

Now, I think the point is there has been a return of rainfall in some parts of Africa, and it also has had a considerable impact on the movement of people. I think we can perhaps apply the same lesson, that we can stand some intervention on the rainfall side, and it will help, too.

Senator KENNEDY. Anyone who has the familiarity, and I know you do, with conditions in Ethiopia, you do not just have the immediate emergency, but we face a long-term problem requiring an ongoing commitment. But this is something that we can deal with at another time.

The area I would like to go to is with regard to Central American refugees. I understand last year the administration requested that the Congress approve 1,000 admission numbers given the conflict, persecution, and violence in Central America.

Canada has admitted 5,000 refugees, including 690 directly from the United States. Australia has admitted 1,100. But we have admitted only 57, and all of them are Cubans. Why?

Secretary SHULTZ. We think the situation in El Salvador in particular has changed dramatically, and that people basically can return there without fear of persecution and without fear for their lives.

We have had the emergence of a democratic government. We have a strong leader in President Duarte, who is undergoing a personal tragedy right now. But, nevertheless, the situation in El Salvador has changed dramatically, and we have justifiable hopes that we will see the emergence of a more democratic form of government in Guatemala. So there have been progressive movements in Central America that we think make it desirable for people to return there rather than come here as refugees.

Senator KENNEDY. Well, the fact is in Guatemala, as you know, the incidence of violence, of death squad activity, has been equal to what has happened in El Salvador, may be worse. Guatemala recently has had an intensity in death squad activity which has been extraordinary, and while I think we are all hopeful about what is happening in El Salvador, but there has been continued violence there.

I know this has been a decision that has been made, that you are going to have a limited number. But I find it incredible you could not find any, not a single refugee from that region who would be able to justify their need for asylum on resettlement.

Secretary SHULTZ. Mr. Purcell seems to be anxious to answer that question.

Mr. PURCELL. Mr. Chairman, Senator Kennedy, we did start out the year with a proposal for 3,000 refugee admissions for Central

America. In fact, we had approved over 1,800 political prisoners and families in Cuba when Castro suspended the agreement. When it became apparent that we could not use those numbers in Central America, they were transferred to other regions where there was greater pressure.

Let me mention, we did produce a report this year on the world refugee situation. There is a very good description on Latin America. Let me say our policy in all refugee situations is to follow durable solutions as approved by UNHCR and subscribed to by the resettlement countries. The durable solutions are voluntary repatriation, where feasible, regional settlement, where repatriation cannot happen, and only if those two are not available do we go to third country resettlement. We are following that pattern in Central America. Repatriation is certainly possible, regional settlement is available from Costa Rica to Mexico. We are bolstering the asylum governments; we are providing them substantial amounts of assistance. When or if those two solutions are not possible, we certainly, as in any other region, would turn to resettlement.

At this point, however, I believe our policies are correct. They are certainly in line with the international protocols and conventions, and we are not going out to recruit refugees to come to the United States when other safer, regional solutions are available to them.

Senator KENNEDY. Well, the Canadians, Australians, I do not think are trying to find and recruit refugees to pour into their country. They have a very strict immigration policy too. But they have been willing to take 670 refugees that came to the United States that were going to be sent back to Guatemala or other Central American countries, and they found they were refugees for settlement.

I do not know if we will have an opportunity to go into that in great detail this morning.

Mr. Secretary, just in another area, I know that you have been very much concerned about the jailing of Allan Boesak in South Africa, and we have the statements made by the Foreign Minister, on Sunday, by the Ambassador from South Africa, that he was going to be released. I was just wondering if you can tell us anything about his release and when you expect it?

Secretary SHULTZ. We have, of course, made our views known, and we welcome the statements that have been made, but I do not have anything to add to them. I think the sooner he is released, the better.

Senator KENNEDY. What was the reaction when you raised this with the South Africans? What did they tell you?

Secretary SHULTZ. Well, they have their reasons for jailing him in the first place, which they have stated and in recent——

Senator KENNEDY. Well, that is the trouble. They have not issued any charges to date.

Secretary SHULTZ. Well, charges are one thing and apparent reasons are another. I think that is fairly clear.

It is our view and policy to urge the South Africans to end apartheid and to do so by talking directly with the leaders of the black community and negotiating with them to bring that about. And certainly Mr. Boesak is one of those we would expect them to deal with; not as a black leader of course.

Senator **Kennedy**. Is the position of the administration that it proposes the unconditional release of Nelson Mandela?

Secretary **Shultz**. Yes.

Senator **Kennedy**. And in the negotiations, that would involve black leaders in South Africa, would certainly include him?

Secretary **Shultz**. Yes.

Senator **Kennedy**. There are some South Africans who find apartheid so outrageous, as the President has stated, who are being drafted now to serve in the South African Army in order to enforce apartheid. They don't want to serve.

Is it the position of the administration that those individuals if they are here, should be sent back to South Africa and put into the army so they will be involved in the enforcement of apartheid?

Secretary **Shultz**. We think that apartheid should not be enforced, that it should be ended, and that the efforts of the Government should be directed toward that end. And that the way to deal with the violence that we see in South Africa is through taking steps and making clear that they are going to be followed through on that will bring apartheid to an end.

We know that it is certainly not enough to call for an end to apartheid. The question is, when you start down that road, what do you do about the huge number of very difficult complicated questions? There is a lot of work to do, and that is what people should be addressing themselves to.

Senator **Kennedy**. My time is up. If I could just ask one clarifying question on the recent Executive order, on the question of the krugerrand.

Is it included in the Executive order on the krugerrands, that we are going to immediately ban the sale of krugerrands in the United States or wait until after some consultation, and then we may or may not do it? I have read the Executive order several times, and I would just like to understand clearly what——

Secretary **Shultz**. We are engaged in the process of notification and consultation, after which the importation of krugerrands will be banned. And we expect that doing it this way will minimize any possible counteraction under GATT due to our actions.

Senator **Kennedy**. Can you give us a timeframe, how long the consultation will take?

Secretary **Shultz**. Not very long. I do not want to specify.

Senator **Kennedy**. Are you talking days, weeks, months?

Secretary **Shultz**. No; weeks at most. There is no need for this to go on for long.

Senator **Kennedy**. Thank you very much.

[Statement follows:]

PREPARED STATEMENT OF HON. EDWARD M. KENNEDY, A U.S. SENATOR FROM THE STATE OF MASSACHUSETTS

Mr. Chairman, I am pleased to join you this morning in welcoming once again Secretary Shultz to today's important hearing on the admission of refugees to the United States over the coming year.

At the outset, I want to commend the President for again supporting a generous refugee program—a program which continues one of our Nation's proudest traditions of welcoming the homeless to our shores, and assisting those in need overseas.

This annual hearing is important as a public expression of the importance we attach to the many refugee problems we face around the world, and it helps generate public support for our country's response.

As I have noted before, refugee problems must be of deep concern to the American people, not only because it is part of our country's long humanitarian tradition, but because we know that refugees pose critical foreign policy problems for us and the international community. We know from recent history that massive movements of refugees can unbalance the world's peace and stability as much as any arms race or political or military confrontation.

We see this today in Southeast Asia, where a human tide continues to flee violence and persecution. We see it in Pakistan where over three million Afghan refugees seek safe-haven.

And I saw it most recently in the Horn of Africa, where famine and conflict have produced a vast movement of people in a desperate search for food and relief.

Obviously, the tasks before us remain urgent and the needs are great. But even though refugee problems are difficult and complex, the nature of our response is not: we must be prepared to join with others in the international community in marshalling the resources and the will to help avert life-and-death situations among the nearly 10 million refugees scattered around the world today.

So I welcome the Administration's renewed commitment today to sustain our refugee program at approximately the same level as this year. And I look forward to working with you, Mr. Chairman, in a bipartisan effort to deal with the many crucial humanitarian issues we confront in every corner of the world today.

Senator SIMPSON. Senator Paul Simon.

OPENING STATEMENT OF HON. PAUL SIMON, A U.S. SENATOR FROM THE STATE OF ILLINOIS

Senator SIMON. Thank you, Mr. Chairman, and Mr. Secretary. I am pleased to have you here.

I want to join in your support. I think this is an area where we can both do the humanitarian thing and enrich our country in the long run.

If I may follow on one question that Senator Kennedy asked, on the refugees from El Salvador. I read somewhere the other day where we are the only Western country not to recognize the political refugee status of the people from El Salvador. Is that correct or is that not correct?

Mr. PURCELL. Senator Simon, that is not correct. The report that we have prepared for the committee on the world refugee situation, on page 107, identifies refugees from El Salvador, 68,000. We recognize them under international conventions. We are supporting them in countries of asylum. They are in asylum throughout the region. Simply because we do not bring them to the United States does not mean that we do not recognize them as refugees. We are simply following the internationally prescribed approach to refugees in the region to aid them, where possible, in the region. And certainly we recognize them as refugees under the international procedures that have been set up for that purpose.

Senator SIMON. There is a small religious group that is headquartered in Illinois that faces persecution in Iran. They claim they are able to be processed for entrance into the United States only in Rome and Athens, and that is just unrealistic for them. Most of them who are able to escape get into Pakistan or another country, but to have that processing only in Rome or Athens is just not realistic.

If any of you have the answer, I would be interested.

Secretary SHULTZ. We think there is something to their complaint. We just approved processing in Pakistan.

Senator SIMON. That is fast action.

Secretary SHULTZ. You asked a question and we have taken steps.

Senator SIMON. I will give you another one for fast action and it is digressing from the refugee situation.

The families of the seven Americans in Lebanon tell me that when they contacted the Red Cross—I notice in your statement you talk about the assistance of the Red Cross—they were told that the Red Cross had not been requested by the American Government to assist in that situation.

Is there any reason we are not asking the Red Cross to assist in that situation?

Secretary SHULTZ. We are very pleased to have Red Cross assistance, and there are a tremendous number of people who are trying to assist in one way or another. We are trying to manage a very difficult situation carefully. And we believe that we are going to be most successful if we do it without a lot of publicity connected with it.

So I am restrained in my comments here.

Senator SIMON. I understand.

I would simply say if there is any reason to believe that getting the Red Cross involved would be helpful, I would urge its consideration on the part of the State Department.

Secretary SHULTZ. Well, we certainly will. And we were able to use the Red Cross effectively at certain stages of the TWA hostage crisis. And the Red Cross is in general very helpful.

Senator SIMON. Let me ask you one other question that really ties in the question that Senator Simpson and Senator Kennedy asked about Africa. I was in Mauritania a few weeks ago. Today they are growing 9 percent of their own food. The desert is just creeping in on everything.

Do we have people in the State Department, AID and others working on refugee problems sitting down and discussing, where do we go long range? I know we deal with emergencies, but do we really have that kind of long-range evaluation?

Secretary SHULTZ. We certainly do. And I think it is fair to say that while the drought has been a tremendous problem and responsible for much of the hunger in Africa, it is not by any means the only cause. And in the long run the evidence is strong that government policies that have tended to reduce the productivity of agriculture in Africa are more responsible in the long term for this problem. And so we have a program that is designed to draw people to changing their policies toward agriculture and giving people more incentive to produce.

There is a tendency in many countries and of governments that have a control kind of mentality toward economic matters to say that the best thing you can do about food is to hold the price way down, and when you hold the price below the cost of producing it, it is very discouraging for production obviously. That is what they do. So, over a period of time, you can see that Africa's ability to feed itself has declined, and that is the reason.

Now, we have to change that, and I think the long-run solution lies in that direction. And I say that in due recognition of the fact that the drought has posed a tremendous problem in many of the countries.

Senator SIMON. Without meaning to reflect on any one specific country, one of the things that I have observed is that they are not only maintaining control and keeping prices down. They are so caught up with today's emergency and tomorrow's emergency, that they do not have the luxury of taking that long-term look. And it seems to me that this could be an important contribution that we must make.

Secretary SHULTZ. Nobody likes to make the adjustments that are necessary to get themselves on a better track. Nobody likes the prospect of raising the price of bread or gasoline or something like that. But at some point in time it has to be done, if they are able to get themselves on a sustaining basis. And there are a number of examples now of countries who have done it, and they have not had the political blowup that they all predicted, although there have been cases of the other dimension too. But reality has to get faced.

Senator SIMON. We have a bit of the same problem in the U.S. Congress.

Secretary SHULTZ. Well, we have got to cut our budget. It is the same problem. Not easy. If you do not do it——

Senator SIMPSON. We did cut our budget.

Secretary SHULTZ. You cut the budget on refugees too much.

Senator SIMON. Thank you, Mr. Secretary.

Senator SIMPSON. Indeed, what you say, you know, about agriculture, food prices, we deal with it right here in the United States. We have the lowest food prices for a country of this scope and size, and we are going to overproduce ourselves into a glut and watch more people go out of agriculture than ever before. And there is something wrong with that system too.

Thank you, Paul.

Secretary SHULTZ. I must say I would rather have the problem of too much food than too little.

Senator SIMPSON. That is why we are grappling with a farm bill we cannot seem to grapple with.

Let me ask you, Mr. Secretary. I know you have another commitment.

You made a strong statement in your remarks requesting restoration of funds cut by the House.

What other cuts in our programs would be required, according to your projections, if this House cut of $45 million, plus earmarking would take place?

Secretary SHULTZ. Mr. Chairman, I believe the President's 1986 refugee budget request already reflected the need for budget restraint. Specifically, if this were done, the House cuts, refugee admissions to the United States would drop to about 53,000. The largest decrease would be in refugee admissions from Southeast Asia, jeopardizing U.S. commitment to reduce first asylum populations and to admit Amerasian children and Vietnamese political prisoners. Iranians, including the Bahais, Jews, and Christians, Afghans and other persecuted persons from the Near East could only be admitted in greatly reduced numbers. African and European admissions would also be reduced. The December 14, 1984, agreement with Cuba, for the release of political prisoners could not be fully implemented.

In addition, these budget cuts would force on average, reductions of about 30 percent from the traditional level of U.S. contributions to international organizations which provide life sustaining assistance to refugees overseas. So it is a very serious matter and would have an impact.

Senator **Simpson**. Mr. Secretary, let me ask you, after my trip to Southeast Asia, and I expressed my views that our refugee program to the extent possible should restore families in an orderly process, I wonder if you see ways in which that greater use of the immigration process can be encouraged?

And, second, I think this is very important, because I think people just do not understand that the United States of America pays a certain figure per human being for placement in R&P funds in the United States, which is now $560. I do not think the people in America really understand that that is what happens when we resettle a refugee. And much of the funding does not, in my mind, get to the right spot. I think we are institutionalizing refugee flows. That is my view.

The voluntary agency is very potent. Some are excellent, some are not. How do we encourage voluntary agencies to advise refugees already resettled here to become naturalized and make use of that process themselves in order to bring in family members instead of what I see as a gimmickry process, when they actually fit the role of family reunification? What steps can be taken on that area? Can we have a review of your remarks?

Secretary **Shultz**. I would like to make a general statement about it, and Mr. Purcell can say something more specific. But I think the general answer has to be, in a sympathetic way, tough minded about the administration of our policies. For example, we talked here earlier in the hearing about the large number of Cambodians on the Thai border. I think it is important for us to encourage them to maintain the attitude that they want to go back to Cambodia and not orient things in the other direction. So when we conduct our small program, we do it carefully.

I think also, following the response of Mr. Purcell and Senator Kennedy's question, that we want to encourage the type of response that he gave to what happens to people in a refugee status, and the answer is not to be automatically, "Let us bring them to the United States immediately." Perhaps there are other solutions that will serve as well or better, so I think we have those matters to deal with.

We are appointing a Commission in the State Department to look at this situation—of outsiders. And I accept the comment you made that there is a transition here to be made, and we want to understand it carefully. And we think we can benefit from some outside advice.

Do you want to add anything to that?

Mr. **Purcell**. Mr. Chairman, the Secretary's statement mentioned a number of efforts we are taking to try to further tighten up the refugee definition so it applies only to those really persecuted, to launch a second-tiered program starting in Southeast Asia, to use normal immigration for those who are leaving primarily for family reunification purposes.

The various agencies in the executive branch have been meeting on this topic. We're formulating plans, not only overseas but here in this country also to advise refugees here to naturalize, to adjust their status so they can begin the process of petitioning to bring in their relatives.

I was encouraged as part of our review to note the high number of Southeast Asians who are already adjusting, after the required period of time, to permanent resident alien status. The figure—and this is through the latest information we have, I think it was 1982—was 81 percent; of those who are adjusting to citizenship, a figure of around 40 percent, which is very high.

What we want to do here in this country is to set the incentives so that those here for the required period of time adjust status—they petition to bring in their relatives. We will be working overseas in all of the asylum countries to identify those eligible for normal immigration, and we will certainly facilitate that.

We have found in our monitoring operations throughout this country—and we have had 29 monitoring trips to various cities throughout the United States—that many of the voluntary agencies already are providing such counseling on naturalization process for refugees here. My Bureau, along with INS and the Consular Affairs Bureau, will be reviewing this issue in great detail over the next few months. We plan to provide the required leadership to the Government and the private communities to assure that their initiative succeeds.

Senator SIMPSON. I think that is very important and I think the Senate shares that view with you.

Secretary SHULTZ. I would like to mention one other thing that we have done—although I can't say that we did it primarily for this reason—but we managed to secure as Deputy Secretary of State somebody who has, for many years, concerned himself with refugee problems as a private citizen so that he has increased the level of knowledge and understanding of this problem in our councils. I am talking about Deputy Secretary John Whitehead.

Senator SIMPSON. I agree.

Well, this is the first time since I have been chairman of the subcommittee that there has not been a recommendation for reduction in refugee admission. That is disappointing to me. We continue to propose admissions for 40 percent above the normal flow of 50,000 described in the Refugee Act. There have been no refugee situations developed in the past year which require new resettlement opportunity.

The numbers fleeing their homeland in Asia continue to decline and, as I said, more of those in the camps should come as immigrants. Why is there no recommendation for reduction and what does that portend for future years? I would very much appreciate your thought on that.

Secretary SHULTZ. According to our information, the refugee situation has not stabilized. It has worsened somewhat as a general proposition, and it does not seem like the right time to continue on down. So we have just stabilized the number for this year.

According to our information, which is in this very good report, the numbers, I will not give you the regional breakdown, but refugees in need of protection and assistance as of May 1984 and May 1985. Two points in time: 8,292,500 in 1984, 8,795,200 in 1985. So there is somewhat of an increase. Most of it in Africa. In fact, I think it is more than accounted for by Africa.

Senator SIMPSON. Senator Grassley had to leave.

[Statement follows:]

PREPARED STATEMENT OF SENATOR CHARLES E. GRASSLEY, A U.S. SENATOR FROM THE STATE OF IOWA

Mr. Chairman: I would like to begin by congratulating you on the progress you made on the disposition of the immigration bill. I'm confident that eventually due to your tireless efforts we will see immigration reform enacted into law.

It is a pleasure to see that the Secretary of State is here with us today as we consider this year's proposed refugee admission policy. His presence indicates the importance of this issue to the Administration and also sends a positive signal to the Senate that, at the highest levels, the executive branch is interested in working with us. All too often that has not been the case, especially in other legislative areas and I am pleased that the Secretary obviously feels that our input as a reflection of the grass roots in America, is important.

With that Mr. Chairman, I look forward to hearing testimony here today. I cannot stay for the entire hearing as I am chairing my own hearing shortly on my bill to pursue defense contractors that defraud the Government. So I would like to take the opportunity I have here to indicate to the Secretary my intense interest in the area of the emigration policy of the Soviet Union, the plight of particular heroes such as Andrei Sakharov and Anatoly Shcharansky, and to ensure that we have allocated sufficient slots for potential Soviet emigres if relations between the Soviet Union and our country improve. I am aware that State's proposal in this area allows for only 9,500. This could prove inadequate if the situation changes and I am concerned as to whether a contingency plan is in existence to accommodate a possible change in circumstances.

I need raise only one final point and urge that the issue of Soviet emigration and human rights, including particular cases, be prominently on the agenda for the upcoming meeting between President Reagan and Soviet Premier Gorbachev. The Soviets noncompliance on these important issues certainly indicates their potential compliance on other issues and without increased adherence to already signed agreements, I question the validity to already signed agreements, I question the validity of future agreements we may enter into with them.

Senator SIMPSON. He asked if I would ask a question. I think it is important.

With regard to the Soviet Union and the slots there for that purpose, this allows for 9,500 in Europe, and the Soviet Union, if that were to prove inadequate, is there a contingency plan in existence to accommodate a possible change in their circumstances?

Secretary SHULTZ. Well, part of the contingency is that we have allowed for the Cuban program that may or may not take place, as I testified. If it does, of course, then the slots would be identified there. If it does not, that represents a pool of slots under this allocation that we could use elsewhere. And that is one place.

If we were to find that the Soviets had shifted gears in a dramatic way, and it affected flows to the United States, I am sure we would come to consult with you about it. There is no evidence that they are about to do so, but we certainly urge them to do so.

Senator SIMPSON. Consulting under the emergency provisions of the act?

Secretary SHULTZ. Yes, sir.

Senator SIMPSON. Mr. Secretary, one last question.

We have had some discussions about El Salvador, human rights, and it continues to return, and we are going to do this work this September on that.

What is your position on the proposed legislation to provide suspension of deportation for all Salvadorans in the United States? Do you have anything to share with us on that? It seems to come back again and again regardless of what happens with studies. The ACLU did its own report and I think they were disappointed not to find that greater incidence of those persecuted—the International Committee on Immigration has found no evidence of those who have returned, and they meet them at the airport and they ask them where they are going, wish to be going or returned to. Where are we with that certainly in your view?

Secretary SHULTZ. I gave a general answer, I think, when Senator Kennedy asked me a different version of that question.

We are opposed to granting extended voluntary departure for Salvadorans at this time, because we think the situation in El Salvador has changed and improved dramatically. And in line with the kind of comments that you were making earlier, we need to be responsive to changes that take place. And if a situation in a home country improves, then we think it is proper for the people to go back there.

Senator SIMPSON. It is interesting to me, as I deal with it, and I get hammered so much around in it that I have to keep alert. But in 1984, we had 2,200 Salvadorans in Honduras voluntarily returning back to El Salvador. That was their personal decision which was interesting.

The United States spends about $20 million per year in displaced persons camps, if I am not mistaken. ISCM, which is a crackerjack outfit, follows up studies on returnees and reveals no instances of random violence. They have had civilian deaths in 1984 in El Salvador, and in the United States. We issue 18,000 tourist visas a year for Salvadorans wishing to tour the United States. There are 23 flights a week from the United States back to El Salvador, and those flights are always full and carry nearly 10,000 people a month from the United States to El Salvador. It is a fascinating business for the chairman and the subcommittee to deal with, but we will get into it again and again and again. It always seems curious to me, almost all Salvadorans come to the United States by land routes, and they cross through two countries that offer safe asylum, have a U.N. presence and a common language, and that is Honduras and Mexico. And we have the process we have for people facing persecution. It is called political asylum, and I would ask if there are any greater numbers of El Salvadorans rejected under the asylum allocations than those from other parts of the world?

Secretary SHULTZ. I do not know that we have the number rejected. We have a list of those approved for fiscal 1984, country by country. The numbers are 5,017 in Iran, that is the first; 1,018 Nicaragua; 721 Poland; 328 El Salvador; 305 Ethiopia. That is the number granted asylum. The number rejected I do not have.

Senator SIMPSON. Well, only a small number has ever applied for asylum. There must be some reason for that.

I appreciate very much your participation. Unless we respond honestly on this refugee thing, we will taint the issue, do what we usually do, and that is strike out in some other area. And you were very helpful, very cooperative, very accessible to me, and I deeply appreciate that as a member of another branch of Government. I have a high regard for you and what you have tried to do for this Nation.

Thank you.

Secretary SHULTZ. Thank you, Mr. Chairman.

[Short recess.]

Senator SIMPSON. Good morning. I see you have tilted the panel table to the right. So we have now this morning Eugene Douglas, U.S. Coordinator for Refugee Affairs; Alan C. Nelson, Commissioner of Immigration and Naturalization Service, Department of Justice; Phillip N. Hawkes, Director, Office of Refugee Resettlement, Department of Health and Human Services.

It is always good and important that we have your observations, your recommendations with regard to refugee issues. And I ask you to summarize your comments so we can get in some questions. And I believe you have been given a time limit on that.

Jim Purcell is also at the table, and perhaps some of these questions will fall in your area also.

First, Ambassador Douglas.

STATEMENTS OF PANEL CONSISTING OF H. EUGENE DOUGLAS, U.S. COORDINATOR FOR REFUGEE AFFAIRS; ALAN C. NELSON, COMMISSIONER, IMMIGRATION AND NATURALIZATION SERVICE, DEPARTMENT OF JUSTICE; AND PHILLIP N. HAWKES, DIRECTOR, OFFICE OF REFUGEE RESETTLEMENT, DEPARTMENT OF HEALTH AND HUMAN SERVICES

Ambassador DOUGLAS. Thank you, Mr. Chairman.

In light of Secretary Shultz's extensive presentation, I will ask that my prepared statement be entered into the record and restrict myself to making additional covering comments.

Senator SIMPSON. Thank you.

Without objection, your statement is entered into the record.

Ambassador DOUGLAS. When we travel around the United States and discuss with the American public and the institutions this question of refugee and refugee resettlement, we all too often find either an extreme of commitment and emotion or sobriety, if not somberness about some of the problems.

It seems for us during this year's consultation we need to be seeking a middle ground here. I think the importance of domestic resettlement and domestic modality has assumed a greater place in this year's planning than it normally has.

The concern that we have recognized in this morning's statements up to now about the scope of the humanitarian problems for refugees outside the country takes on a particular importance when we address how we are going to resettle those people in the United States. To the degree that we are going to have success in moving to a greater use of the immigration procedures of the United States to bring about family reunification, the way that we feel with the balance between community support, voluntary agencies, and that important group of mutual assistance associations seems to take on a particular added importance.

This committee knows that one of the areas that the administration has been particularly interested in in past years has been the nurturing of the mutual assistance associations with an eye to the day where there would be greater immigration movement than there is refugee status movement. And I think that we will see the roots of our investments in time over the coming year.

I think that it is prudent, however, to inject a note of caution that our expectations of improving the immigration percentage of the movements of people, particularly out of Southeast Asia, needs to be tempered with the sober reflection that moving people into communities without the benefits of the extra assistance from the Refugee Act is going to take some adjustment.

You asked the question of the Secretary about citizenship, about sponsorship, and I think it is incumbent upon the administration to provide leadership in that. Jim Purcell told you a bit about the intentions and the determination of several departments to take a strong role in that, but I think that needs to be emphasized time and again. And then my own talks with the voluntary agencies and with the mutual assistance leadership around the country, it seems clear that we have a great deal of work to do to impress upon the refugees the reinforcing importance of taking out citizenship and what it will mean to them when we bring in people in refugee status.

Several of the comments this morning from the Senators and from the Secretary and from Jim Purcell observed that we were in a period of change. I think that is very encouraging.

You commented here some, Mr. Chairman, that you were perhaps disappointed that there was not a reduction in numbers again this year. I think that we discussed the totality of the country's approach, commitments, and concerns for being able to continue with the solid performance that we have. Our interest in investigating and moving on this immigration front, and uncertainties of the situations in several regions led us to propose a stabilized 70,000 for this year.

Looking back at history sometimes can help you feel that you are not quite so alone and under such pressure.

Recently, a document came across my desk from 1934, when the League of Nations was beginning to observe the refugee consequences of Nazi Germany's grip on its territory, and looking at one paragraph of that, and with your permission I would review sentences, gave me some hope that perhaps there are both continuities and some progress that we have made; that 1934 document observed that the high commission had come to the conclusion that the efforts of the private organizations and that of any League of Nations organizations for refugees can only mitigate a problem of growing gravity and complexity, and present economic conditions state the European states have only a limited power of absorption of refugees. The problem must be tackled at its source if disaster is to be avoided.

While that may sound rather somber, I think it underscores something that we have jointly been saying one to the other for these 4 years that we have been participating, and that is while we go about trying to stabilize and redress the problems of people who are already left, if we are ever going to have any success in bring-ing down the human suffering of refugees, we must have the kinds of foreign policy and security policy that I think President Reagan has proposed to the country, that they have supported, and we are continuing to seek support from the Congress for our efforts.

Thank you, Mr. Chairman.

[Statement follows:]

PREPARED STATEMENT OF AMBASSADOR H. EUGENE DOUGLAS

Mr. Chairman,

I am pleased to appear before this Committee to consult on our country's annual refugee admission program for Fiscal Year 1986. This is the fourth year in which I have come before you as the U.S. Coordinator for Refugees. Looking back on these four years in office, I find it difficult to recall the detachment with which I once viewed many of the issues we deal with. If, like most senior tasks in Government, mine has been frustrating, it has also been deeply enlightening and often inspiring. More than anything else, it has been a justification of my conviction that private citizens acting together with the Executive Branch and the Congress can work successfully to resolve a highly-charged issue of public policy.

Mr. Chairman, after a careful review of the worldwide refugee situation, the President has proposed a refugee admissions ceiling of 70,000 for Fiscal Year 1986: the same number that was agreed to in Fiscal Year 1985.

The proposed regional admissions ceilings for FY 1986 are:

East Asia/First Asylum	40,000
East Asia/Orderly Departure Program	8,500
Eastern Europe/USSR	9,500
Near East/South Asia	6,000
Latin America/Caribbean	3,000
Africa	3,000

In addition, as in previous years, the Administration proposes that up to 5,000 aliens granted asylum in the United States be permitted to adjust their status to become permanent resident aliens. We believe that this proposed ceiling is adequate to admit those refugees for whom the United States has a special humanitarian interest.

Mr. Chairman, the Departments of State and Health & Human Services are prepared to discuss admissions and program efforts in some detail. Mr. Purcell and Dr. Hawkes will provide current information on operational matters in which the Committee is interested. I would like to offer, in the remainder of my remarks, a more general view of where I believe we now stand in our refugee program efforts domestically and internationally, particularly with regard to Southeast Asia which has been of intense interest during the past year.

While it may not intrude on our consciousness, there are at least three major events in our recent history which condition our present response to refugee issues. These are: (1) the plight of European refugees, particularly the Jews, prior to the outbreak of World War II and their fate during the Hitler era; (2) the collapse of the non-Communist governments of Vietnam, Laos, and Cambodia in 1975, and the onset of a continuing tide of Indochinese seeking permanent refuge in the West, above all in the United States; and (3) the experience of Fidel Castro's organized expulsion of close to 130,000 Cubans in the Mariel boatlift of 1980.

Since time immemorial, people have moved from one country to another, but it was only with the horrendous events of the Second World War and its aftermath that refugees as a category impinged on the American and European consciousness. The enormous tragedy of the Holocaust was made even more bitter to many Americans when we finally realized that we could have saved countless thousands from the death camps had we only opened our doors to the refugees before the war -- before it was too late for so many. After the war, we had still other reasons to regret our actions: This time it wasn't a matter of refugees trying to get in, but displaced persons who did not always wish to return to their country of origin. Even today, when we talk of repatriation, we remember the tens of thousands of East Europeans and Russians who were sent home to end their days in the gulag.

Yet even with the experience of the Second World War and its aftermath, the United States remained selective in who was admitted into the United States as refugees. The first 18 months after the fall of Saigon saw over 150,000 refugees being admitted, but neither in number nor in principle was this such a departure from postwar experience. Most of these people were closely and directly associated with the United States.

It seems to have been the experiences of 1979 and the years immediately following which led to the current state of affairs where a limited and shrinking number of resettlement countries came to organize and sustain the most extensive mass transfer of populations between continents.

During the past ten years, the United States has resettled approximately three-quarters of a million Indochinese refugees with an equal number resettled by other governments. There is no question that this has been one of the most important international humanitarian successes in recent history. Moreover, it is equally clear that for years to come it will be necessary for us to continue accepting for resettlement many Indochinese who have valid claims of persecution in their countries of origin.

There is increasing concern, however, after ten years of massive international Indochinese refugee resettlement, that claims of persecution from many individual Indochinese are less justifiable than in earlier years. There is clearly a continuing humanitarian problem of major proportions in Southeast Asia. There is growing doubt, however, that the solution to this humanitarian problem can, or should, be answered principally through refugee resettlement.

The definition of a refugee contained in the Refugee Act of 1980 was accepted after long and careful consideration. The Administration believes that the definition of a refugee, those individuals who have valid claims to persecution in their countries of origin, should be carefully and strictly maintained. We must exercise great care to ensure that this widely accepted definition is not diluted in practice. Maintaining a clear and unambiguous distinction between refugees and other migrants is absolutely essential. This distinction is a critical component of the Refugee Act and of the United Nations Convention on Refugees and its Protocol.

It is time to be candid about the continuing flow of people from Indochina. In the Coordinator's view, and in the view of our major resettlement allies, the "refugee character" of the flow from Indochina has diminished even though the flow itself remains high. It has become increasingly clear over the past several years that the exodus from Indochina, while smaller than in earlier years, contains larger numbers of individuals who cannot make compelling claims of persecution as laid out in the Refugee Act, but are departing their countries of origin for pressing economic, family reunification, or other reasons. The Refugee Act was not enacted to admit to the United States people who flee their countries for reasons other than persecution -- the Act's intent is clear on this point. Consequently, we must not allow our refugee admissions policies to include admissions of persons who do not have valid claims to that status and for whom other solutions should be sought or are available.

I believe that we have reached a point where a portion of our Southeast Asian refugee admissions are amenable to other mechanisms, particularly those admissions that are principally for family reunification. I do not believe that Congress intended, or the Refugee Act authorizes, refugee admissions primarily for family reunification purposes. We need to find ways to make normal immigrant visa programs serve such admissions. That is what our immigration program was designed for, and that is the program we should use for family reunification admissions. No one expects that this can take place overnight for the legal, foreign policy and, particularly, the domestic consequences are many and serious.

We face the twin challenges of managing the current Southeast Asian refugee resettlement volume and the problem of the increasing non-refugee character of the population in first asylum. Our system of priority categories and processing guidelines exists in its present form and content because the United States can neither cope with the number of refugees potentially seeking admission to the United States, nor can we accept the increasingly questionable political refugee credentials of many already in first asylum as well as many new arrivals.

Senator Simpson made the following observation after his trip to Southeast Asia this past April:

> We have reached a cross-roads in the program. We must now take a two-pronged approach in Thailand - refugee status for those who "threw in" with us in Southeast Asia and who have suffered imprisonment and other political persecution because of that association; and for those with family in the United States we must use the immigrant visa process.

If the United States is to move towards greater reliance on immigrant visa processing to resolve the continuing saga of Indochinese relocation, we will need appropriate modifications of our refugee admissions policies. The relevant agencies have been studying these questions for several months. Their analysis and recommendations will be considered by the Senior Interagency Group for Refugee Policy (SIG/RP) -- particularly how to respond to the problem of the large residual or "long-stayer" refugee population in Southeast Asian first-asylum which is currently not eligible for resettlement, consolidating regional refugee processing and training programs, and shifting admissions emphasis to immigration processing. In order to assist Southeast Asian countries of first-asylum, we will also review, in consultation with our donor and resettlement partners and the UN High Commission for Refugees, options for maintaining and strengthening first-asylum for those who continue to flee Indochina.

We will ensure that the Congress is informed as this review proceeds and will consult with the appropriate committees concerning recommended policy changes.

Our intent in undertaking this review is to ensure that Indochinese refugees who have valid claims to persecution in their countries of origin have an equitable opportunity to be admitted to the United States as refugees within our annual admissions ceilings. It is also the Administration's intent to assure access to humanitarian relief and protection to those who will continue to flee Indochina and for whom the international community must continue to afford protection. We will continue to honor our commitments to the Southeast Asian governments of first-asylum, but we will require their understanding and patience as we try to more appropriately respond to a changing refugee/migrant flow from Indochina.

I would like also to note my concern about the resettlement of Amerasian children who are admitted through the Orderly Departure Program. I am pleased to see that the Vietnamese appear to be making an improved effort to locate and make available for processing larger numbers of Amerasian children and their immediate relatives. We are aware of the particular problems these children have had and the difficulties many of them face in adapting to a vastly different life in the United States. As a corollary to the moral obligation which we believed required a special effort to actively seek admission of these children to the United States, I feel equally strongly that appropriate attention be given to their needs after they arrive. I am not sure that we have done all that we can do to meet the unique needs of these children. For those Amerasian children who have the most serious problems, I want us to do our utmost to assist them before they appear in our juvenile justice and mental health systems. I am not now convinced that we will be able adequately to cope with the special problems of some Amerasians in the absence of a new step designed specifically to deal with these kinds of problems. Accordingly, I have asked for a review of approaches that would be possible under existing authority and fiscal resources, and which would address the more pressing needs of this special group.

Before I turn to domestic resettlement, I would like to recognize that we continue to make progress with programs involving Romanians, Ethiopians, and Iranians. In addition we have built new bridges and strengthened old ones as a result of consultations on refugee issues in Europe, Australia, and Southeast Asia.

The Romanian family reunification program was improved during FY '85 through the Administration's initiative which resulted in the Government of Romania's agreement not to deprive their citizens of housing facilities, medical care, and education once they have applied for exit permits. And an understanding developed with Romania as a result of efforts on the part of the State Department's Counsellor Derwinski, the Bureau for Refugee Programs, and the Bureau for European and Canadian Affairs, as well as my office, which will help expedite family reunification. We continue to work to bring the Romanian program into line with our other worldwide activities while remaining mindful of the needs of the Romanian people themselves.

The July consultations in Austria provided opportunities to discuss refugee-related issues with representatives of voluntary agencies, the Departments of State, Health & Human

Services, Justice, and senior government officials from European countries deeply involved in refugee affairs. This conference provided a significant opportunity for bridge-building among countries concerned with refugee transit and resettlement through substantive discussions of internationalization, burden sharing, and the U.S. refugee program.

In addition, we are making steady progress in our worldwide refugee data collection and standardization efforts. Presently, major refugee processing posts in Southeast Asia and Europe are transmitting to Washington basic identifying information on refugees who have been approved for admission to the United States. This effort provides us with standardized refugee information before the refugee arrives and is improving our overall control and reporting capabilities. This activity, together with a major new microcomputer development, will provide smaller refugee processing posts with standardized automated refugee tracking capabilities and produce significant improvements in these areas in the future.

I would like to turn now to domestic resettlement. We are all familiar with the major disappointment of the past few years in the domestic program -- the utilization and expense of the public assistance programs which provide financial assistance and resettlement services to refugees. Dependency on welfare during the first three years remains stagnant at about 55 percent. The primary reason for reduction in Federal costs during the past five years is the declining admission rate. However, Dr. Hawkes and his staff have made good progress this year in developing tighter management in the domestic program. State program reviews, the "refugee cash-assistance" effort in California, the State Department's Chicago Project, and Office of Refugee Resettlement (ORR) work in preparing the ground for alternative resettlement approaches under the Wilson-Fish Amendment are helping to improve domestic program efforts. Further improvements are necessary, and ORR will continue its efforts to reduce program costs and improve management next year. Dr. Hawkes will provide additional details on the domestic program.

As the Committee is aware, one of my principal interests has been to strengthen the role of the refugee Mutual Assistance Associations (MAA). They have already become, largely through their own perserverance and our joint efforts, a major source of resettlement support for newly arriving refugees. We must encourage them, through additional support, to significantly increase their resettlement support activities. This MAA support network will take on increased importance as the number of immigrant entrants grows in relation to refugee admissions.

My staff and I have spent considerable time this year meeting with refugee organizations and their leadership. Many of these organizations are now ready and capable of assuming greater responsibility for assisting their countrymen in the difficult process of resettling in this country. An increasing number of Indochinese organizations are willing and able to provide supportive services and assistance to new refugees. They are ready for increased responsibilities and a more active role in domestic refugee resettlement, and they should have it. As a result of my conversations with MAA leaders this year, I am convinced that they have a clear understanding of what services refugees require for early employment and how best to ensure successful assimilation into a vastly different culture.

Who would understand better or with greater clarity the difficulties of resettlement in this country than those from the same culture who have had to undergo this arduous process themselves? Nor is there any question that the desire to achieve successful resettlement is greatest among those refugee organizations who aspire to assist their fellow-refugees. I firmly believe that it is time to make a much greater effort to give experienced and successful refugee leaders, and the organizations they represent, an opportunity to increase their role in helping their countrymen from Indochina. We have begun to move in this direction. I hope to see significantly more resettlement support programs from the MAAs over the next year.

I suggest also that an increased role for the Indochinese MAAs does not imply or require less active involvement from the Voluntary Agencies (VOLAGs). Increasing MAA support for newly arriving refugees should not be confused with putting a large new group of organizations in the resettlement VOLAG category. There is no automatic graduation into obtaining resettlement and placement grants from the Department of State. However, the Administration's policy need not preclude such contracts for those MAAs who may be qualified for them, consistent both with the availability of funds and a need for additoinal resettlement grants. There is ample opportunity for developing effective and mutually supporting working relationships between MAAs and traditional resettlement agencies. Developing these working relationships are in the best interests of both sets of organizations and would clearly improve our efforts to more successfully resettle refugees in the United States.

It is also my hope that the voluntary agencies will become actively engaged in providing assistance to the increasing number of Indochinese who are arriving as immigrants. This has always been a traditional area of interest for the voluntary agencies and it should continue. The VOLAGs can play a significant role in assisting Indochinese immigrants as can the Indochinese MAAs. At a meeting last month in New York with Interaction, the American Council for Voluntary International Action, we discussed the usefulness of the Coordinator calling a meeting that would include the VOLAGs, MAAs, and the Government to work out new directions for MAA responsibilities and VOLAG involvement. Our common view was that such a meeting would be most welcome, and I have asked my staff to begin consultations with the parties regarding time and place.

It is clear from what we have observed during the past year that we are in a period of change in our international and domestic refugee programs. Change often produces anxiety and concern, but we must respond to the changes if we are to

Senator SIMPSON. Thank you very much.

Mr. Nelson, please.

Commissioner NELSON. Mr. Chairman, likewise I would submit our statement for the record. I believe the testimony of the Secretary of State was extremely thorough and covered almost all of the points here as well as that of the other witnesses here. So I will only touch on a few points.

One, and I am very pleased that the Secretary of State addressed points in his testimony regarding Cuba. As indicated, the limitation proposed for Latin America is intended as a signal to Cuba for reinstating the agreement of May 1984 as promptly as possible. The agreement was suspended unilaterally by the Government of Cuba in March 1985, and we want this agreement restored and are prepared to meet with Cuban officials at any time to that end. I think it is important to do so.

As the Secretary has stated, also on the theme of your questions and others, and Ambassador Douglas likewise, that we are altogether in the administration, that it is essential that we proceed with a broadened use of the regular Immigrant Visa Program. I know you, Mr. Chairman, have made your position very clear in support of that. We are seeing a growing number of persons in first asylum countries, in Southeast Asia, Africa, and Europe who have qualifying relatives in the United States and cannot meet the test established in the Refugee Act.

The Immigrant Visa Panel represents the best available instrument by which to achieve sustained levels of offtake and family reunification. In this way, the Refugee Program will be preserved for those who meet the test of a well-founded fear of persecution as required by the Refugee Act of 1980.

This has been an exceptionally active year for the Immigration and Naturalization Service's Overseas District Offices which are responsible for conducting the refugee determination interviews. Through July, some 28,000 refugee determination interviews have been conducted, and 49,443 persons approved by immigration officers in this fiscal year at 20 overseas processing posts. Through July, 50,615 refugees have been admitted to the United States from 33 countries.

Domestically through our asylum program, our stateside district offices have conducted nearly 21,000 interviews and approved for admission in refugee status an additional 3,951 persons from 52 countries as of August 1, 1985.

We join the committee in welcoming these deserving newcomers to our shores. We are pleased to have them join in building our country's future.

I think the system works, and we need to emphasize that and be proud of the job that the agencies are doing to effectively both refugee programs overseas and also the asylum process here.

In our testimony, Mr. Chairman, I will not relate to it other than to note for the record we have several pages in our testimony, beginning at page 4, relating to the Khmer processing in Thailand, and particularly the issue of the fairness of that process, the thoroughness of it, and we think this testimony concurs with exactly what the Secretary of State indicated in his testimony, that this system works well. As he indicated, 200,000 Khmer have been accepted for third country resettlement. The United States has taken over two-thirds of those, and the overall approval rate for Khmer cases is over 90 percent, the highest for cases anywhere. And if anybody wants to be critical, they are talking about the 10 percent that are rejected. And I think it is important that everybody understands the tremendous processing that has gone on.

We think our testimony lays out the procedures. The multiple opportunities that a claimant has overseas to pursue his claim of persecution, screening, by joint voluntary agencies, interviews by the ethnic affairs officers, and follow-up appeal type procedures that exist. So, again, there is plenty of process to fairly determine these cases.

Regarding asylum, again I think it is essential that we indicate to the committee the accomplishments again this year in reducing and also eliminating the asylum cases. They are almost eliminated. At the end of July 1985, there were 6,036 non-Cuban and Haitian cases pending compared to 45,349 at the end of fiscal year 1983. This, despite the fact that over 29,600 new claims have been filed during the past 2 fiscal years. We are keeping pace.

Mr. Chairman, I believe that hits the high points of our testimony, and I will be pleased to respond to any questions.

Thank you.

[Statement follows:]

PREPARED STATEMENT OF ALAN C. NELSON

Mr. Chairman, I am pleased to appear before the Committee today to discuss the Administration's proposal for refugee admissions for Fiscal Year 1986.

The proposed Fiscal Year 1986 refugee admission ceiling is 70,000. Regional ceilings are proposed at the following levels:

- 48,500 for East Asia; with the 8,500 numbers allocated to the UNHCR's Orderly Departure Program, and 40,000 for refugees in first asylum countries of the area;
- 9,500 for Eastern Europe and the Soviet Union;
- 6,000 for the Near East and South Asia;
- 3,000 for Latin America and the Caribbean; and
- 3,000 for Africa.

The proposed ceiling and regional allocations are based on projections of the eligible refugee population in first asylum countries in Southeast Asia, the Near East/South Asia region and Africa which can be processed and admitted to the United States in Fiscal Year 1986. The proposals are attentive as well to the necessity of supporting continued generous asylum policies on the part of the First Asylum countries in these regions.

The ceilings for Eastern Europe and the Soviet Union are maintained at a level that is sensitive to the possibility of greater emigration from the Soviet Union and to the need to reduce the waiting periods for those from Eastern Europe and the Near East who have reached first asylum in Western Europe.

The allocation proposed for Latin America and the Caribbean is intended as a firm signal to the Government of Cuba and to the world of United States' interest in reinstating the migration agreement of December 14, 1984 as promptly as possible. The agreement was suspended unilaterally by the Government of Cuba on March 20, 1985. We want the migration agreement restored and are prepared to meet with Cuban officials at any time to that end.

We believe, in sum, that the proposed ceilings properly reflect our foreign policy objectives and humanitarian traditions and concerns. The proposed ceilings maintain this country's generous tradition of refugee resettlement and our leadership position among the resettlement and assistance providing countries of the world.

At the same time, it is the Administration's intent and commitment to ensure sustained off-take from Southeast Asian first asylum countries through broadened use of the regular immigrant visa program. We are seeing a growing number of persons in first asylum countries in that region (and in Eastern Europe, Africa, the Near East and South Asia as well) who have qualifying relatives in the United States and who cannot meet the test established in the Refugee Act. The immigrant visa channel represents the best available instrument by which to achieve sustained levels of off-take and family reunification. In this way the refugee program will be preserved for those who meet the test of a well founded fear of persecution as required by the Refugee Act of 1980.

This has been an exceptionally active year for the Immigration and Naturalization Service's overseas district offices which are responsible for conducting the refugee determination interviews. Through July some 68,000 refugee determination interviews had been conducted and 49,443 persons approved by immigration officers in this fiscal year at 20 overseas processing posts. Through July, 50,615 refugees had been admitted to the United States from 33 countries. Domestically, through our asylum program, our stateside district offices have conducted nearly 21,000 interviews, and approved for admission in refugee status an additional 3,951 persons from 52 countries as of August 1, 1985. We join the Committee in welcoming these deserving newcomers to our shores. We are pleased to have them join in building our country's future.

Among our more difficult activities in Fiscal Year 1985 has been Khmer processing in Thailand. I consider it important to comment on this activity because it has received widespread attention and scrutiny.

The United States has admitted over two thirds of the approximately 200,000 Khmer accepted for third country resettlement worldwide. The overall approval rate for Khmer cases presented to the United States refugee program in Thailand is 90%, which favorably compares to other nationality approval rates in Southeast Asia, and exceeds all others worldwide.

This fiscal year the approval rate will likely hold at approximately 52%. This is because the members of our refugee team in Thailand -INS, State Department and the Joint Voluntary Agency - made an early-on decision to defer the difficult and questionable cases until the end of our processing of the eligible population at Khao-I-Dang refugee camp. These difficult, questionable cases have now been decided and the statistics reflect the results.

Some observers have alleged that innocent victims of the Pol Pot regime have been denied refugee status by immigration officers, because they are inadequately informed and prepared to be making these important decisions. Those from the Congress, who have taken the time to study the procedures, information and personnel involved in our Khmer processing work, know better. But for the record I would like to review the salient facts about our procedures and personnel.

An applicant for the U.S. refugee program has multiple opportunities to relate the facts of his claim of persecution. These opportunities include: (1) the initial screening interview by staff of the UNHCR; (2) , one or more screening interviews with case workers of the Joint Voluntary Agency; (3) in cases where certain discrepancies are noted an in-depth interview with an Ethnic Affairs Officers; and (4) an interview with the immigration officer who makes a determination in the case. INS officers follow closely the Worldwide Refugee Processing Guidelines established by the INS in 1983 to facilitate expeditious processing in Southeast Asia. These Guidelines instruct our officers to give the benefit of the doubt to the applicant, especially in cases where the applicant fits the criteria of one of the categories of persecution established for that region. Most of the denied cases have claimed a category status.

There have been basically two bases for denial in the Khmer caseload. They are: (a) failure to establish a well founded fear because of lack of credibility; and/or, (b) suspected involvement in the persecution of others. Except where applicants have drastically altered accounts of their life in Kampuchea or where there is strong suggestion of a deliberate effort to conceal evidence of a Khmer Rouge association,applicants are not denied. Those denied admission under the second sentence of the refugee definition---because they have been determined to have aided, abetted, incited or otherwise participated in the persecution of others---have provided information which, when pieced together from many interview accounts, and analysed against the background and country conditions information available to our officers, strongly suggests that they a enjoyed position of trust or responsibility within the Khmer Rouge structure.

To ensure the integrity and fairness of our decision-making, a review procedure has been in place. Before any denial action is finalized, the denial is reviewed at the processing post by the INS team leader, and then again by the Officer in Charge of the INS Bangkok Office. Beyond this procedure, which has resulted in a number of reinterviews and a number of approvals as a result, there is a general procedure established for consideration of new evidence in all denied cases. These procedures include provisions for the review of previously denied cases by JVA, and the presentation to a joint review committee of cases in which any party in the process---JVA, the Refugee Coordinator or the INS Officer in Charge---believes a wrong decision may have been made either because of the introduction into the record of facially credible new information or because of the appearance of a misinterpretation of critical evidence in the record. Decisions are usually reached consensually by the representatives on the review committee. Although we have completed regular case interviewing at Khao I Dang, the process I have described remains in place and will continue to be available.

Formal record keeping of this joint review process began in February. The results to date are as follows:

o Of the several thousand cases reviewed by JVA to date, 154 have been found appropriate for representation to the joint review committee;

o Of these, 44 cases have been recommended for reversal to the Officer in Charge and all have been subsequently overturned and approved by him.

o 84 of the previous denials have been upheld and, in a smaller number, a second sentence notice added to the denial decision.

o Of the most questionable denial decisions reviewed to date, the percentage found to have been improperly decided is 34%.

o For the approximately 16,000 previously denied cases, the overturn rate is therefore less than one half of one percent.

I am very proud of the entire U.S. refugee program team in Thailand the JVA caseworkers, the State Department Refugee Officers and Ethnic Affairs Officers, and our immigration officers. We owe them a debt of gratitude for their service to a humane and compassionate program of refugee resettlement. They have used and digested all the information available to understand the events in Cambodia during the Pol Pot era. Moreover they have had the unique experience of absorbing many thousands of personal accounts of refugees who survived intense suffering. They know better than any the toll that has been taken in human lives and futures. I congratulate our team of officers in Thailand and in our other refugee processing posts in this region. It is a difficult assignment well performed.

This has been an active year as well for those of us charged with management of our overseas refugee program and our domestic asylum program. In both programs we have endeavored to realize improvements in the quality of our refugee determinations and in the management of these vitally important program areas.

Among our accomplishments this year, several stand out for attention here. The substantial backlog of asylum claims at several INS district offices have, practically speaking, been eliminated. As of the end of July 1985, there were 6,036 non-Cuban and Haitian cases pending compared to 45,349 at the end of Fiscal Year 1983. This despite the fact that over 29,600 new claims have been filed during the past two fiscal years. We are keeping pace.

The INS Worldwide Guidelines for Overseas Refugee Processing, which have been under review during the past year, have been substantially revised to bring them up to date with regard to both refugee case law and the objective realities pertaining in the refugee generating countries of Southeast Asia. We will release the revised guidelines just as soon as we have consulted on them with the appropriate Congressional Committee leaderships.

We are striving to assure the continued selection of well trained and talented officers for overseas refugee processing and asylum adjudications duties. We have established a cadre of permanent staff officers who are on station in our overseas offices and our principle district offices stateside to adjudicate refugee and asylum claims for longer periods of time. These are demanding assignments for the officers and supervisory personnel. Performance continues to improve as experience accumulates and training investments are made.

We are investing more heavily now than ever before in officer training for this important work. In that regard we have launched this year an initiative to ensure that all officers assigned to refugee and asylum claims adjudications work have immediate access to more and more current information, from a wide variety of sources, on conditions in refugee producing countries. Our purpose is to ensure that the difficult decisions which must be reached in such cases are reached, if no less easily, with as much knowledge as possible regarding the circumstances and conditions obtaining in the country from which the applicant departed.

The Service and the Department take great pride in the accomplishments of our refugee and asylum team, and in the dedication and interest they bring to their work. There are few tasks I can think of that are more important than assuring refuge to those for whom there are no humane and available options, and ensuring that those who have incited, aided, or otherwise assisted in the persecution of others are denied the protection and blessings of our great country. That is our responsibility.

We are in the fifth year of experience with refugee determinations under our present law, the Refugee Act of 1980. We have experienced the pains of transition from one legal regime to another, and of forging new interagency working relationships. In my view the transition is being effectively accomplished and we are administering the Refugee Act in a fair and careful fashion.

Senator SIMPSON. Thank you very much.

Now Phil Hawkes.

Mr. HAWKES. Mr. Chairman, I would like to submit my testimony for the record and just make a few brief comments.

As you are aware, ORR funds the domestic part of the program, particularly the cash and medical assistance programs, and a wide variety of social services designed to ease their way into life in the community and employment and, hopefully, self-sufficiency.

In fiscal year 1985, ORR, by the end of the year, will have contributed $148 million in social services and targeted assistance funds. The refugee population, however, continues to take advantage of public assistance programs in this country at about the same rate they have in the last 2 or 3 years.

During the first quarter of fiscal year 1985, approximately 54 percent of the Nation's time-eligible refugee/entrant population were receiving cash assistance. This average is up 2 percentage points from fiscal year 1984. An estimated 52 percent of the cash assistance caseload is in the State of California. The fact that California alone accounts for over 40 percent of the Nation's Southeast Asian refugee population may explain the high national rate of refugee cash assistance receipt. However, as in prior years, a nationwide figure is somewhat misleading in that as the single largest State has a dependency rate of well over 80 percent, and the rest of the Nation has a dependency rate collectively of about 35 to 36 percent. So the big picture is somewhat skewed by one rather generous State which has almost 40 percent of the refugees who come to the country.

In our efforts to deal with this, we have done a number of things. Earlier last year, we required that States expend at least 85 percent of their social services funds on services leading to employment. There had been a trend in the refugee service community in the other direction. We were buying more what we believed were soft services that would have limited impact on employment.

Further, we have begun to monitor the Refugee Program on a case-by-case basis in selected communities around the country. It was amazing to us that even though we continued to put out hundreds of millions of dollars of social services and targeted assistance money, that there did not seem to be any resulting decline in the refugee cash assistance dependency rate, and this intensive approach review, which we have sent Federal officials to local welfare offices and actually pulled hundreds of case files to see actually what was happening, we have seen two major trends in refugee services.

One is that refugees are given services in lieu of employment. They are referred to English classes and additional English classes, and still additional English classes, and to employment services of a variety of types, and often further to preparation classes in courses preparing them for particular kinds of employment. And, further, even in these services, we have found that the refugees taking advantage of this whole range of advantages that we fund are among the least needy part of the population. That is, people enrolled in targeted assistance were less likely to be on public assistance, were likely to have English skills and more education than refugees not being reached.

In Los Angeles, we found several college graduates, many people holding high school degrees, people who spoke English quite well. So, as a result of this review, and ongoing reviews that we are conducting, we are appealing to the States to try to change the focus of the program, to deal with people most in need of assistance, and believing that those others, the ones that have become what you might call refugee service junkies, they are already employable. They should be pushed out of the nest and told to go look for a job.

And California has instituted a refugee demonstration project which requires that refugees accept employment at any legitimate rate, that is above minimum wage, and the State will supplement their income up to the level of what would be their welfare grant in order for them to be employed and to gain experience in the job market, and maintain their medical assistance as long as they meet the need standard of the Medical Program. This has only been instituted since July, and as you are aware, it took us 2½ years to put it in place. We do not as yet have statistics, but at least it looks like, in the preliminary assessments and anecdotal assessments, that people are moving forward. And this demonstration project may in fact change the nature of the Refugee Program in that State which would have a profound effect on our national statistics.

It is also piloting a program in which the refugees are treated under the refugee cash assistance rules, and we believe that that is another major benefit to the Refugee Program.

Finally, another line, we have recognized a need for mental health services for many refugees and in a partnership with the National Institute of Mental Health, we have inaugurated a program that States may participate in to build capacity to treat refugees and to mainstream mental health institutions.

We believed there was a need, but we did not think we could afford a parallel service system, so we are building a system with a sensitivity to the ethnic groups and to increase the number of refugee professionals in the mental health delivery system.

Thank you, and I would be happy to answer questions.

[Statement follows:]

PREPARED STATEMENT OF PHILLIP N. HAWKES

Mr. Chairman, Members of the Committee, I am pleased to represent the Department of Health and Human Services in this important consultation and to discuss, from a domestic policy perspective, the Administration's proposed level of refugee admissions for fiscal year 1986.

As you know, a principal responsibility of the Office of Refugee Resettlement (ORR) is to assist refugees in becoming self-sufficient at the earliest date possible following their arrival to this country. States are reimbursed for the costs incurred in providing cash and medical assistance to refugees who have been here three years or less. Under a separate grant, States are awarded funds to support a broad range of social services critical to a refugee's adjustment in a new homeland and in developing the basic skills and knowledge necessary to provide for the economic security of the individual or family.

I want to report that we do not anticipate a problem in providing for the needs of those refugees admitted at the ceiling of 70,000, as proposed by the Administration for the coming fiscal year, or of those refugees who have been in this country three years or less. Our budget request is also sufficient to enable services to be provided to refugees who, for various reasons, require additional help in order to become employed and to overcome the difficulties of adjustment.

I would like to provide you with a brief assessment of the refugee resettlement program by way of discussing current welfare dependency rates, the accomplishments or interim results of ongoing program efforts, and the highlights of new initiatives.

Welfare Dependency Rates

During the first quarter of fiscal year 1985, approximately 54 percent of the nation's time-eligible refugee/entrant population were receiving cash assistance. This average is up two percentage points from fiscal year 1984. An estimated 52 percent of the cash assistance caseload is in the State of California. The fact that California alone accounts for over 40 percent of the nation's Southeast Asian refugee population may explain the high national rate of refugee cash assistance receipt. Please note, however, that we are currently in the process of compiling data on cash assistance for the current fiscal year. In the final analysis, these averages may vary somewhat.

Over the years, we have all come to recognize that one of the major reasons for California's high welfare dependency rate is the fact that the State has an AFDC (welfare) grant level 65% higher than the national average. A refugee, particularly one with a large family, cannot be required to forfeit a welfare grant which is higher than what could be earned in an entry-level job. I am pleased to report, however, that this problem is being addressed by the State of California through the recent implementation of a major demonstration project which I will describe later.

I believe that fiscal year 1985 will be viewed in retrospect as a year of significant innovation in the refugee program. Substantial progress has been made in the implementation of new initiatives since I last appeared before your committee.

I would like to bring you up to date on these activities and the accomplishments that we have achieved so far.

On-Going Program Efforts

o State Social Service Program Requirements

As part of the State-administered program, ORR provides funding to States for the purpose of making available to refugees a broad range of social services critical to their adjustment and ability to become self-sufficient. In FY 1984, ORR upgraded from a recommendation to an administrative requirement that 85 percent of such funds are to be used by States to support priority social services, specifically English language training and employment services. For fiscal year 1985, approximately $71.7 million was provided to States in the form of social service grants.

o Consolidated Discretionary Program

It has been the practice of this Office in past years to fund several program and/or demonstration initiatives aimed at aiding refugees in becoming self-sufficient. Based on the recommendations of a number of States, we issued a single program announcement this year that simplified the process by which States would apply for funds. The "Comprehensive Discretionary Social Services" (CDSS), as it is formally referred to, encourages States to develop initiatives on behalf of refugees who are difficult to serve or who have special needs not previously addressed in the State's refugee social service delivery system. Emphasis is placed on direct, short-term services which foster employment.

A total of twenty-two States have applied for funds under this announcement, for which we have designated approximately $3.5 million in social service funds. We expect to make grant awards to those States with acceptable proposals before the end of the current fiscal year.

o California Targeted Assistance Program/CIU Review

During fiscal years 1983 and 1984, nearly $120 million in targeted assistance funds have been awarded to counties or local areas with high concentrations of refugees. The purpose of these funds is to assist these areas in addressing the needs of difficult-to-place refugees whose inability to secure employment and achieve self-sufficiency cannot be overcome without such special services.

Reflecting the large number of refugees in California, of these funds approximately 40.5 percent, or $48.2 million, has been divided among 13 targeted assistance sites in that State. Beginning in June 1985, we decided to undertake a major review of the California targeted assistance program by conducting on-site reviews of the 13 county-based programs. This was done with the intent of providing current information on the performance of targeted assistance projects. The results of this review will be used as the basis for program recommendations by which the State and counties can more effectively utilize FY 1985 targeted assistance funds.

We also undrtook a review this year of Central Intake Units (CIUs) in major California counties. It is the CIUs which handle the employability assessments and referrals of refugees to appropriate services. As a result of the review, and with the cooperation of the State, early employment of refugees has been formally identified as the basic goal of the State's refugee program. ORR and California state officials have jointly visited counties to assure more vigorous implementation of the self-sufficiency objectives of the program. We are gratified by the cooperation among all levels of government in collaboratively working to improve program performance in the State.

New Initiatives

The major challenges confronting this Office in the administration of the refugee resettlement program have been, and continue to be: (1) to increase refugee self-sufficiency; (2) to increase the number of refugees who are able to obtain permanent employment in lieu of public assistance; and (3) to ensure that the critical health and social needs of the refugees are responsively addressed. Until recently, the prospects for making significant headway in reducing welfare dependency seemed distant.

o Alternative Refugee Resettlement Demonstration Projects

The Wilson/Fish Amendment to the Immigration and Nationality Act, contained in the FY 1985 Continuing Appropriations Resolution, is the vehicle enabling us to develop alternative projects which promote early employment of refugees. It provides the States, voluntary resettlement agencies, and others with the opportunity to develop innovative approaches to the provision of cash and medical assistance, social services, and case management.

We recently awarded grants to the States of California and Oregon for demonstration projects designed to decrease refugee reliance on welfare and to promote earlier economic self-sufficiency. The California Refugee Demonstration Project (RDP) was implemented on July 1, 1985. It represents a close working effort between the State of California and ORR in an effort to reduce refugee dependence on welfare.

The purpose of the RDP is to test whether removal of cash assistance barriers to employment will result in greater employment of refugees and reduced utilization of cash assistance. The RDP is a three-year project under which refugee cases currently on AFDC, in which the head of household has at least one year of time-eligibility remaining under the refugee program, will be converted to the RDP program.

Under RDP, refugees may work full time and receive supplemental cash assistance and medical care if their earnings are less than the welfare benefit levels. The ability to expeditously implement this demonstration was made possible by the Wilson/Fish Amendment.

The Oregon demonstration project is focused on the integration of the delivery of cash assistance with case management, language training, and employment services within the private, non-profit sector. It is scheduled to begin this week.

In addition, ORR has conditionally approved a preapplication from the State of Massachusetts for a Wilson/Fish demonstration project intended to reduce the high welfare dependency in that State. We are also working actively with the national voluntary refugee resettlement agencies to encourage their involvement in cash assistance alternatives.

Next year, we hope to encourage more States and interested organizations to submit proposals under the authority of the Wilson/Fish amendment.

o Refugee Mental Health Initiative

Over the last year, increasing attention has been focused on the mental health problems experienced by refugees. In response to this demonstrated need, the Office of Refugee Resettlement entered into an interagency agreement with the National Institute of Mental Health of the Public Health Service for the purpose of implementing a national refugee mental health strategy during the course of the next three years.

The overall intent of this strategy is three-fold: (1) to increase the capacity of State mental health agencies to serve the mental health care needs of refugees; (2) to provide technical assistance and disseminate information to State mental health agencies and State refugee agencies; and (3) to increase the number of refugee mental health professionals.

o Refugee Self-Help Initiatives

As you will recall, this Office has recognized refugee Mutual Assistance Associations (MAAs) as a valuable resource in the community because of the refugees' firsthand experiences and because they set examples of successful adjustment.

This support dates back to the enactment of the Refugee Act of 1980. Since that time, the Administration has allocated nearly $11 million for initiatives which strengthen the MAAs' role in the resettlement of new refugees. Strengthening MAAs continues to be a high priority of this Office.

As part of this effort, we have just awarded a national contract for technical assistance and training to MAAs. The goals of this project are to strengthen the capability of MAAs in (1) managing social services programs, (2) developing their capacity as trainers, and (3) developing and accessing private sector resources for the provision of social services to refugees as well as Cuban/Haitian entrants.

o Federal Program Administration

In order to enable the Office of Refugee Resettlement to concentrate attention on the States which account for the majority of refugee program costs, we plan to streamline the grants and reporting requirements for those States which have especially low refugee dependency rates or which account for a relatively small portion of ORR costs. With a reduction in the paperwork requirements for those States, ORR will be in a better position to focus its limited staff resources on areas which have the greatest needs and costs.

This country's commitment to refugees has been more than demonstrated over the course of the past ten years. At the end of this fiscal year we will have resettled over one million refugees, the majority of whom are Southeast Asians. If the United States is to continue accepting a share of the world's refugees, those of us who are involved in domestic resettlement must continually remember that the extent to which we are able to provide responsive and cost-effective services -- the extent to which our efforts result in the successful resettlement of refugees -- are important factors taken into account in determining annual refugee admissions.

Mr. Chairman, distinguished Members of the Committee, I appreciate the opportunity that you have given me to testify before you today. I would be happy to answer any questions that you might have at this time.

Senator SIMPSON. Very interesting, all three presentations.

I will ask Ambassador Douglas what has been the response of the other resettlement countries, especially Australia and Canada, during the past year with regard to Southeast Asian refugees? How do admissions numbers to those countries compare with admissions of the previous year?

Ambassador DOUGLAS. The big three in Southeast Asia, Canada, Australia, and the United States have maintained very, very solid programs. The Australians have enacted some months ago, a month and a half ago or so, that they were proposing a 6,000 person figure for their next year, a thousand figure for 1985 but, at the same time, placing increased emphasis on the family issuance out of Vietnam. The Canadians are still reviewing their next year's program. But, from informal discussion, we have every reason to believe that it will be a very solid participation consistent with their interest in immigration and in Southeast Asian refugees.

I would have to say that among those three countries that you ask about, the response is extremely gratifying. And the consultation between the capitals at all levels is very solid.

Senator SIMPSON. It sounds like they are reducing their numbers.

Ambassador DOUGLAS. Well, the Australian program made a reduction in what would be in our terminology the first asylum offtake, and I think they are looking for ways in their system persistent with how they perceive their population and their interest, to encourage the same kind of movement that we are trying to encourage.

Senator SIMPSON. What is the current attitude of the Thai Government as far as processing the refugees, the 230,000 displaced Khmer on the Thai Cambodian border?

Ambassador DOUGLAS. The attitude of the Government of Bangkok for that processing is not favorable; that they are displaced persons. And they advise, indeed, they oppose the suggestion that they will be nominated as accommodated refugees.

Senator SIMPSON. During my trip to Thailand, I became aware of special problems in the Highland Lao or the camps, particularly the one at Ban Vinai. And I mentioned those problems in the report filed.

What, if anything, has been done to develop native literacy programs, encouragement of use of sanitation facilities at the Highland Loa camps?

Ambassador DOUGLAS. As you know, Mr. Chairman, the camp at Ban Vinai is the largest city in their history, over 50,000 people there, and it has grown consistently. And the efforts at improved sanitation were already in track. I think the International Rescue Committee has taken a position at the request of the Bureau of Refugee Programs to improve sanitation, order sanitation services to improve parts of the camp. Native literacy has been something we have looked at for a long time. The High Commission has their program, and they have accelerated and deepened their involvement in native literacy for them.

Senator SIMPSON. How many in that 50,000 population are children under 15?

Ambassador DOUGLAS. As competent as I am, Senator, I do not have that particular figure off the top of my head. I would be happy to provide that to you.

Senator SIMPSON. That is very deft. I was startled at the great numbers of children and the birth rate in the camp.

Ambassador DOUGLAS. It is high.

Senator SIMPSON. Higher in all of the camps than it is in the native populations, either highlands or lowlands?

Ambassador DOUGLAS. Well, the highlanders have always had for the people of Laos the greatest numbers of children. Sociologists, and I think commonsense, would tell you that once these refugees get in a position of safety, the problems that they have had in the past leads them to bring back the family. There are a lot of kids.

Senator SIMPSON. Commissioner Nelson, I want to say that I was quite favorably impressed with the interviewing process at Khao I Dang. We observed refugees. They split up. They were not putting on a show for us. I have seen those interviews take place all over the world. I found them to be business like, careful, well prepared. The ethnic affairs officers seemed very knowledgeable of the geography of Cambodia, the history of the Khmer Rouge, where and when and what they did. And I found it to be very worthwhile. I found it a rational objective approach. And I know it has to be very difficult under the circumstances that we are there.

That processing has been completed and many previously denied cases have been reviewed. How many persons were named who did not qualify for our or any of the resettlement programs?

Commissioner NELSON. I will follow the theme of Ambassador Douglas. I do not have the exact figures.

I do want to thank you, Mr. Chairman, for your comments about the processing procedure and the effectiveness of those, and the quality of the INS people out there. I concur with that.

Senator SIMPSON. Jim, do you have any figures?

Mr. PURCELL. 15,800 is the rejected caseload.

Senator SIMPSON. Go ahead.

Commissioner NELSON. I think the process that I testified to earlier and the review process on those cases that have been denied, there is a thorough review by our people, our supervisors, and in some cases all the way up here to Washington, and there is a thorough opportunity to review those that have not been approved.

Senator SIMPSON. So the review process is working. You get down to the tough cases anyway, do you not?

Commissioner NELSON. That is right.

Senator SIMPSON. And I am pleased I was able to go there because if you do not go there, you believe that there is just a great horde of rejections and incompleteness. And that is not true from what I have found.

I was surprised to visit with members of voluntary agencies. One young man I remember distinctly had been there for 17 years in that area of the world and he says it is time to shut it down. I said, "That coming from you is interesting. Why?" He told his reasons, and the difference was that what we saw as refugees were those who joined in with our group in Southeast Asia. We took care of them and their families. Now, we have come to another group of people who are migrants and seeking things for other reasons that we know so well.

Anyway, in your testimony last year, you described your goal of eliminating the asylum of backlog of 1984.

How long does it take now to adjudicate the typical asylum claim?

Can you tell me that?

Commissioner NELSON. As indicated in the testimony, we have not eliminated it entirely, but have reduced it down to 40,000 from 60,000. And we have had some new cases and are processing those. Four months is the normal processing time.

Senator SIMPSON. That is certainly an improvement from when we both started in this game, when the backlog with Cubans and Haitians was 160,000.

Commissioner NELSON. Of course, these figures I gave you are non-Cubans and Haitians, and most Cubans are being adjusted under the Cuban Act.

Senator SIMPSON. You heard the Secretary testify about ODP with immigrants in Ho Chi Minh City, and I asked him about the INS officers.

Are the INS officers participating in the screening of ODP refugees and immigrants within the city, within Vietnam?

Commissioner Nelson. No. I think, as Mr. Purcell answered earlier, we are participating in Bangkok, and we have not been participating in Vietnam itself.

Senator Simpson. Is that a future possibility that they should be there in Ho Chi Minh City?

Commissioner Nelson. We are certainly available, Mr. Chairman, to participate as best to serve the purposes. And if it is in the interest of a joint venture of the State Department and others to have their people there, we are certainly available.

Senator Simpson. It seems to me they should be screening their people in Vietnam before they are brought to Bangkok where we take them, whether they pass the INS screening or not. And if they are going into Ho Chi Minh City, what would be their function in the processing there?

Commissioner Nelson. I think you have a very well-taken point, Mr. Chairman. We would certainly be pleased to discuss further internally and I suppose externally as to whether the INS officers should be on the ground there.

Senator Simpson. After reviewing the ODP process, not being in Vietnam, knowing of the diplomatic problems, I think that program needs some fine tuning. It needs more than fine tuning. It needs kind of an overhaul in my mind because the people coming out, whether they are talking about an American list or Vietnamese list, are not people we think of in the United States as the boat people. They are often ethnic Chinese who are well to do, but the Vietnamese do not want them, and this is the way they figure to expel them. And we also find many who have been involved in the Vietnam era who have lived there, who have married Vietnamese, using the systems to bring out relatives of varying degrees and distant family ties, which I think is an abuse of the process. I watched that. I saw that. And so I want to work with all of you in seeing that ODP does what we intend to do, and also whether the Amerasian children situation is being properly met.

We passed a very significant and specific and humane law on Amerasian children, and the numbers were to go against numbers other than refugee numbers. But somebody should be giving us the book, page and hymn number about what comes to the United States. Many of them are finding some very extraordinary difficulty after they get here, appearing as Amerasian children, young, and unable to speak the English language here in this country, and this is tough. Somebody ought to be following up those things too.

We do things around here out of the spirit of remarkable compassion, and I do not think that we are finished. Especially in doing the proper thing with Amerasian children. But ODP, as envisioned, took people from reeducation centers, and we are not getting that, so we ought to be about our business. I would like to pursue that one and will. I shall.

Commissioner Nelson. I appreciate your thoughts. I think the Secretary of State was very explicit on that, and there is no question that we are desirous of getting on that track and getting the reeducation camp type people under the ODP program.

Senator Simpson. And Laos along the Vietnamese border.—who were some of those people deeply committed to the American cause many years ago ought to be processed. Many of them could come through the legal immigration. I saw people who had sisters and brothers, and I thought somebody ought to tell them that there are many there that should come out under the refugee activity, I think.

Well, Mr. Hawkes, I come to you.

You say the refugee welfare dependency rate, which is something I know the House and Senate both watch closely, has increased from 52 to 54 percent.

Why has that welfare dependency rate for time eligible refugee seemingly become stuck at over 50 percent?

Mr. HAWKES. Mr. Chairman, I am not sure that I can identify specific reasons why it has become stuck. I think, however, we can identify reasons why it is not moving, and maybe that is the other side of the same coin.

We think that—we have stopped dealing with numbers. What we were doing was to really deal in numbers. We had funded the State at a particular level with social services, and had received a plan say for *x* amount of dollars. And 220 people had been placed in jobs at the end of the year. And we assumed, I suppose, that that was probably a mistake, that the people being placed in jobs were those refugees who had come in who could speak a little English and were employment ready.

When we stopped dealing with numbers and started dealing with cases, we found that is not the case for a variety of reasons. An awful lot of the Indochinese refugees particularly, but others as well, were on public assistance and have large families, and reside in States with an unemployed parent, particularly one with a large family, cannot be required to forfeit a welfare grant which is higher than what could be earned in an entry level job. That means that these people have to be employed in jobs in States, such as California, with high welfare, something in the neighborhood of $1,800 or so a month, and such jobs that do not require well-spoken English are very hard to come by. And we found that this money that we were making available for States in unprecedented amounts was not being used to address that population.

A particular service provider agrees that people employ a hundred people. They will not get the money unless 100 people are employed. They tend to select the ones that are the most likely to be employed as a result of the services rendered, which means again that those best English speakers, those with the most experience, are selected, and those that are going to be hard to place because of their own background and the fact that they are going to need a higher wage, are not going to be selected for those programs.

So we are, through our services program, we are upgrading refugees from one job to another. And we are preparing for better jobs those that could conceivably already get entry level jobs. And we are not addressing in any kind of positive way that large number, some 50 percent or so of refugees which are mainly members of large families and will need considerable training and assistance to become self-sufficient.

The refugee demonstration project in California will test one alternative to that. A second project is getting underway in Portland, OR, which will test another alternative. And we have a proposal in Massachusetts for yet another third variation. The Chicago project that has been recently carried out by a group of voluntary agencies under contract to the Department of State, in cooperation with the city of Chicago, has demonstrated an approach. Each of these has some possibility. It is too early to tell in some cases how successful they will be, but I think there is a recognition, perhaps belatedly, but perhaps a recognition that we have been serving the wrong end of the curve.

We have been dealing with the most employable and leaving the unemployed and welfare population pretty much to its own devices.

Senator SIMPSON. What suggestion do you have to remedy that?

Mr. HAWKES. Well, we have to spend much more time in selecting clients. Case management which, if you recall, something was all we needed a year ago. We bought into it in part. It is expensive. We have founded a type, the California office has what it calls its intake units specifically for refugees.

I think we have determined that it takes a full-time hands-on kind of approach to ensure that the right people are attracted into the right services. And if you deal with numbers and results without knowing who the numbers are, we do not reach the most needy.

Senator SIMPSON. I certainly concur with that.

To what extent have targeted assistance funds for fiscal year 1985 funds been expended, and how much money might be available in 1986? What are the administration's plans for the future of that program?

Mr. HAWKES. Well, almost none of the 1985 money has been expended because most of the programs all over the country are still running on the 1984 money, which will carry most of them into 1986. We are to put out an additional $27 million in targeted assistance money this year, which will bring this year's total to $77.5 million. And that will carry most States through fiscal year 1986.

There is no targeted assistance money being requested in the President's budget of 1986. However, I do hear a rumor that the House is going to, under a CR, appropriate additional funds for targeted assistance in 1986. And that would, of course, carry the program well into 1987.

Our problem with all of this, and the expenditures of all of these moneys, are that unless we can forcefully bring service providers and targeted assistance around to our way of looking at this program, we are going to continue to employ the most employable. It is a major flaw in the system.

We have done reviews of hundreds of cases around the country, and we have found the tendency toward working with the most sophisticated person is universal.

Senator SIMPSON. What are the early results from the California Wilson/Fish demonstration project? Do you believe it will be effective, decreasing welfare dependency in the future?

Mr. HAWKES. Yes. California has made great strides in the last few months. They have seriously embraced our philosophy of services concurrent with employment rather than services in lieu of employment.

Now, they have done that at the State level, and it takes a time for it to work down to the individual case workers, but efforts are being expended to bring the efforts of resettlement around to referring someone to a job during the daytime and English in the evening. We know that people are being referred to jobs, and we know in some cases that people who were referred back to the county welfare department for noncooperation were actually sanctioned by the welfare department; that is, they lost a portion of their grant. And our case workers tell us because they know the tires are slashed in the parking lot, and they know it was a successful sanctioning today. That is a poor way to get feedback.

Seeing some success, however, was delightful.

Senator **Simpson**. A fascinating way of showing success. That is interesting.

Well, we in the Senate, on this subcommittee and Chairman Rodino of the House and Chairman Thurmond of the Senate Judiciary Committee, are watching closely the refugees and dependency rates, and the workability of our programs, the authenticity of the refugee by definition, and meeting those tests and trying to do it up front and not misuse the system. That is where we get in trouble. The voluntary agencies, the good ones, the adroit ones, are injured by those who are in the game on a per head basis. Yet there are some in the game on a per head basis, and that is a crude way of saying it but I really believe that is true. The good ones get the blame for that, and that is unfortunate.

But, indeed, what John McCarthy said—and I remember it well in my first entry into this field—he always spoke with a great deal of truth in that area because he knew the good ones would get some heavy flak because of the activities of some that were not doing the job. I have made some rather sharp remarks about the ODP program, and I must qualify those. The situation must be terribly difficult to handle, especially when you have no diplomatic relations with the country you are trying to deal with. Maybe we can eventually get to some type of communication of diplomatic relationship with the Vietnamese and then talk of many things. Many things are possible between the two countries.

So I will qualify that. But all of you served your Government well, and it was a pleasure to hear your views and to have you available and accessible. It makes my job and the subcommittee's task that much more enjoyable, and I appreciate that very much.

So I believe that will conclude the annual refugee consultation, and we very much appreciate all of your help and assistance. That concludes the consultation.

[Whereupon, at 11:30 a.m., the subcommittee adjourned, subject to the call of the Chair.]

APPENDIX

ADDITIONAL SUBMISSIONS FOR THE RECORD

PROPOSED UNITED STATES REFUGEE ADMISSIONS AND ALLOCATIONS FOR FISCAL YEAR 1986

Report to Congress submitted in compliance
with Section 207(e) of the
Refugee Act of 1980

Office of the U.S. Coordinator for Refugee Affairs;
in consultation with
Bureau for Refugee Programs, Department of State;
Office of Refugee Resettlement,
Department of Health and Human Services;
Immigration and Naturalization Service,
Department of Justice

SEPTEMBER, 1985

I. PROPOSED UNITED STATES ADMISSIONS PROGRAM FOR FY 1986

A. Overview of the World Refugee Situation

During the past year, America's attention has been drawn time and again to the plight of refugees and drought victims in Africa where armed conflict, civil oppression, and sea ing drought have combined to create an additional 750,000 refugees and displaced persons this year in need of internationally guaranteed protection and assistance. Although the largest number of new refugees are from Ethiopia and have found asylum in neighboring countries--Sudan and Somalia--the drought has affected the whole continent. The United States has played a major role among the donor countries in ensuring that food, medical care, shelter, and other relief needs were made available for refugees.

In East Asia, the overall magnitude of the Indochinese population in first asylum countries remained substantially unchanged. The gradual decline in the arrivals of Vietnamese boat refugees which we noticed last year continued but was offset by an upsurge in the number of Lao entering Thailand. In addition, over 200,000 Khmer were forced to move into Thailand from the Cambodian border sites due to the violence of this year's offensive by the Vietnamese. While this new population of Khmer is not of resettlement character, their safety and future are of special concern to the United States. International resettlement remains the main option for asylum populations in Southeast Asia. Voluntary repatriation under UNHCR auspices continues to function only with Laotians, and even so in very small numbers. Regarding more permanent resettlement in place, historic rivalries, ethnic antipathies and national concerns for the political and economic consequences of permitting refugee resettlement continue to block any progress on that front.

In Eastern Europe and the Soviet Union, we can expect continued pressures mainly from Poles and Romanians, who wish to resettle in the West under the refugee program. There are no current signs of change in the highly restrictive Soviet policies of recent years regarding the exit of Jews, Armenians, and ethnic Germans despite the efforts of the United States and other Western governments to improve such movement.

In Central America, the United States is providing extensive bilateral assistance and supporting efforts of international organizations to aid refugees as well as those persons displaced within their own countries. The oppressive internal policies of the Sandinista Government and continuing civil unrest inside the country contribute to an outflow of Nicaraguan refugees. The patient efforts of several years to provide for voluntary repatriation began to bear fruit in the past twelve months. Some 2,250 Salvadorans voluntarily returned to their country from Honduras with the assistance of international organizations. Several thousand others returned spontaneously without assistance.

In South Asia and the Near East, the status of millions of Afghan refugees in Pakistan and Iran remains basically unchanged, as does that of the Palestinians who are registered with the United Nations Relief and Works Agency for Palestine Refugees (UNRWA).

For FY 1985, the United States authorized the admission of up to 70,000 refugees of special humanitarian concern into this country. The Department of State estimates that under this ceiling, some 68,000 persons will actually be admitted by the end of the fiscal year. A number of these refugees approved for entry in FY 1985 will actually enter the United States in FY 1986 due to required health screening and training in Refugee Processing Centers in Thailand, the Philippines and Indonesia.

B. United States Refugee and Resettlement Policy

In resolving refugee situations, the U.S. would prefer to see the safe voluntary return of refugees to their homeland. This approach, embodied in the Refugee Act of 1980, is also supported by the United Nations High Commissioner for Refugees (UNHCR) and the international community at large. If safe voluntary repatriation is not feasible, settlement in countries of asylum within the region with similar culture and language is sought as the next preferred alternative. When all other options fail, consideration is given to resettlement in third countries. International organizations and international law consider distant, third country resettlement the least desirable of all options because it is the most difficult for refugees. During the past ten years, the U.S. has accepted over 938,000 refugees for resettlement, more than the other major resettlement countries combined.

The President, in consultation with Congress, determines the number of refugees to be admitted to the United States each year for permanent resettlement. This number is a ceiling not a quota. The U.S. considers for admission persons of special humanitarian concern who can establish that they, individually, have suffered persecution or have a well-founded fear of persecution because of race, religion, nationality, political opinion or membership in a particular social group. The legal basis of this is the Refugee Act of 1980, which embodies the American tradition of granting refuge to persons suffering or fearing persecution. The 1980 Act [Section 201(a)(42)] adopted the definition of "refugee" contained in the United Nations Convention and Protocol relating to the Status of Refugees:

> "The term "refugee" means (A) any person who is outside any country of such person's nationality or, in the case of a person having no nationality, is outside any country in which such person last habitually resided, and who is unable or unwilling to return to, and is unable or unwilling to avail himself or herself of the protection of, that country because of persecution on account of race, religion, nationality, membership in a particular social group, or political opinion, or (B) in such special circumstances as the President after appropriate consultation (as defined in section 207(e) of this Act) may specify, any person who is within the country of such person's nationality or, in the case of a person having no nationality, within the country in which such person is habitually residing, and who is persecuted or who has a well-founded fear of persecution on account of race, religion, nationality, membership in a particular social group, or political opinion. The term 'refugee' does not include any person who ordered, incited, assisted, or otherwise participated in the persecution of any person on account of race, religion, nationality, membership in a particular social group, or political opinion."

The United States works with the UNHCR, other international organizations, governments, and private organizations to protect refugees and to ensure that their immediate needs for food, medical treatment, and shelter are met. For this purpose, the United States contributes to the UNHCR, UNRWA, the International Committee of the Red Cross (ICRC), and other international and private organizations which provide refugee relief and assistance. The United States is the single largest contributor to many of these organizations, providing 30% of the budget of the UNHCR and about 45% of the budget of UNRWA. This is in addition to direct, bilateral refugee aid provided by the United States to countries granting first asylum. It also does not include special appeals for emergencies such as the Khmer Border Relief Program in 1979 and the African Famine Relief Effort of 1985, to which the U.S. Government contributed almost $200 million.

With regard to refugee resettlement in the United States, U.S. policy is to promote refugee economic self-sufficiency as quickly as possible. To this end, short-term English language, cultural orientation, and pre-vocational education programs for certain groups of refugees have been established overseas to speed the adaptation to our complex society. Particular attention is paid to the health of refugees to ensure that communicable diseases are controlled before entry into the U.S. Federally-funded programs administered by the States provide cash, medical services, job counseling and training to refugees once they have arrived in the United States. These benefits are intended for short-term utilization during a refugee's transition to becoming economically self sufficient. A variety of institutions, particularly voluntary agencies, administer additional assistance and counseling programs for refugees resettled in this country.

C. United States Refugee Admissions in FY 1985

Actual FY 85 Admissions. Actual admissions for FY 1985 will be about 68,000. Statistics on estimated United States refugee admissions in FY 1985 may be found in Table I. Refugee arrivals in the United States for the Fiscal Years 1975 through 1985 (July) may be found in Appendix C at the end of this report.

FY 1985 Special Regional Initiatives. In authorizing a FY 1985 refugee ceiling of 70,000 persons, the President announced two initiatives to relieve situations of particular humanitarian concern. These were to provide for the resettlement in the United States of Amerasian children and "re-education camp" prisoners from Vietnam, along with their immediate family members. Further, within the regional ceiling of 50,000 admissions from East Asia, 10,000 admission numbers were set aside for the Orderly Departure Program from Vietnam. This figure was subsequently reduced to 8,000 with the 2,000 admissions numbers being moved to the East Asia first asylum ceiling. The overall figure, however, remained 50,000.

From Latin America a total of 3,000 refugees were initially authorized admission -- including some Cubans entering the United States from countries other than Cuba. A special program for the admission of up to 3,000 former Cuban political prisoners was part of the December 14, 1984, United States-Cuban Migration Agreement. Only 28 of these persons entered the United States before Cuban authorities suspended the program on May 20, 1985. Following the suspension of the agreement, the Administration reassigned 2,000 of the admissions authorized for Latin America to the Eastern European/Soviet ceiling (1,000) and to the Near East/South Asia ceiling (1,000).

Changes in INS Refugee Processing during FY 1985. The Refugee Act of 1980 provides that the Attorney General determine whether individuals qualify for admission to the U.S. as refugees. This responsibility is carried out in the field by officers of the Immigration and Naturalization Service (INS).

A series of INS program improvements initiated by this Administration in Fiscal Years 1983 and 1984 were carried forward in Fiscal Year 1985. Per capita investment in the training of INS personnel selected for overseas assignments increased. The first of a series of annual Overseas Officers Conferences was convened by the INS in Washington and included a review of policy issues surrounding refugee processing.

Numerous policy and procedural improvements were effected by the INS to assure greater uniformity of overseas refugee processing from district to district. In close collaboration with the Bureau for Refugee Programs (Department of State), and the Office of Refugee Resettlement (Department of Health and Human Services) INS issued policy clarifications in such areas as: refugee travel documents, refugee sponsorship assurance agreements, and visas for spouses and minor children of asylees and refugees. INS Procedures for data sharing between INS overseas offices and State Department consular posts, through the Automated Visa Look-Out System (AVLOS), were developed and implemented with support from the Office of the U.S. Coordinator for Refugee Affairs. Operating instructions were developed and implemented for the new UNHCR Rescue at Sea Resettlement Offers (RASRO) program in Southeast Asia.

In June 1985, INS Bangkok District completed its processing of all Khmer at Khao-I-Dang refugee camp who have been released for resettlement processing by the Thai government. INS officers will be turning their major attention to eligible Laotian and Vietnamese populations in Thailand and other first asylum countries.

As part of ongoing efforts to improve the refugee determination process, INS has assigned a permanent team of experienced immigration officers to refugee processing in Thailand and other Southeast Asian posts. Additionally, full-time Ethnic Affairs Officers were assigned to Thailand to provide expert advice on cases involving suspected persecution of others. Both INS officers and Ethnic Affairs Officers received special training on country conditions, socio-political structures, etc., so as to improve their ability to assess the credibility of refugee accounts and to detect cases involving Khmer Rouge association. During FY 1985, long-standing procedures for review of denied Khmer refugee cases were formalized to assure opportunity for review of previously denied cases.

TABLE I

ESTIMATED UNITED STATES REFUGEE ADMISSIONS IN FY 1985

AREA OF ORIGIN	AUTHORIZED ADMISSIONS	ESTIMATED ARRIVALS IN THE U.S.
Africa	3,000	2,000
East Asia		
from first asylum countries	42,000	42,000
from Vietnam under ODP	8,000	8,000
Eastern Europe and the Soviet Union	10,000	10,000
Latin America and the Caribbean	1,000	100
Near East and South Asia	6,000	6,000
TOTALS	70,000	68,100

D. Proposed United States Refugee Admissions for FY 1986

In response to continuing humanitarian needs and domestic and foreign policy concerns, the President proposes to admit up to 70,000 refugees to the United States during FY 1986.

TABLE II

PROPOSED UNITED STATES REFUGEE ADMISSIONS IN FY 1986

AREA OF ORIGIN	PROPOSED ADMISSIONS
Africa	3,000
East Asia*	
First asylum countries	40,000
ODP from Vietnam	8,500
Eastern Europe and the Soviet Union	9,500
Latin America and the Caribbean	3,000
Near East and South Asia	6,000
TOTAL	70,000

* In order to differentiate between those Indochinese refugee admissions from East Asia coming from first asylum countries and those coming directly from Vietnam, a separate admissions ceiling is again being proposed for the Orderly Departure Program.

In order to accommodate pressing regional admissions needs which may develop in the course of the year, the Administration proposes that the Department of State be given authority to reallocate up to 2,000 of the admissions numbers from the ceiling for Latin America and the Caribbean to other regional ceilings, with concurrent but not prior notification of the Congress.

At the end of the first and second quarters of the fiscal year, if Cuba refuses to terminate its suspension of the 1984 U.S.-Cuba Migration Agreement, 1,000 admission numbers will be deducted from the ceiling for Latin America and the Caribbean and, if needed in other regions, reallocated to other regional ceilings. If not needed in other regions, the numbers will be taken from the ceiling for Latin America and the Caribbean, but will not be used.

For FY '86, the U.S. will continue the practice of processing refugees of special humanitarian concern to the United States who are still in Vietnam and certain countries of Latin America and the Caribbean. In addition to the proposed admission of refugees from abroad, the INS will consider adjusting to permanent resident alien status up to 5,000 persons who have been granted asylum in the United States and have been in the United States for at least one year, pursuant to Section 209(b) of the Refugee Act of 1980.

With respect to persons claiming refugee status, the Department of State will evaluate each case based on the national interests of the United States, the refugees' situation in temporary asylum, the conditions from which they have fled, and other humanitarian considerations before applicants are presented to the Immigration and Naturalization Service for determination of eligibility for admission under Section 101(a)(42) of the Immigration and Nationality Act.1.

Africa

Political persecution and instability, social upheavals, and centuries-old disputes between different ethnic groups lead to oppression, armed conflict, and civil unrest in Africa. These situations, exacerbated by adverse economic conditions and natural disasters such as drought, frequently generate refugees. The current estimate of this dislocated population is about 2.8 million, with the largest concentrations in Sudan 1,000,000, Somalia 400,000, and Zaire 333,600. Most of these people are, in effect, in a long-term asylum status, dependent upon international assistance.

Voluntary Repatriation. Under the 1969 Convention of the Organization of African Unity, most African countries, including to some extent those which have generated refugees, assist refugees from neighboring states, permitting them to remain indefinitely pending improved prospects for voluntary repatriation. Where appropriate, UNHCR is actively pursuing ways and means by which their voluntary return home can be encouraged. In general, the prospects for the repatriation of large numbers of refugees are not favorable at this time.

In mid-1984, there was considerable international concern over a Tanzanian Government statement that it would forcibly repatriate 3,000 Banyarwanda refugees to Uganda. It was discovered, however, that most of them were not recent arrivals. They have been permitted to remain in Tanzania, and a suitable permanent settlement site is being sought for them there. Three Zimbabweans were forcibly repatriated by Zambia. The government of that country continues to be under pressure from neighboring countries for the return of refugees suspected of anti-government activities.

Resettlement within the Region. African countries have been notably hospitable to large numbers of persons fleeing political division and civil strife in their own countries, offering long-term asylum which amounts to de facto local settlement. Because many of these refugees have rural, agricultural or pastoral backgrounds, they can be absorbed into the similar economies of neighboring countries. In Tanzania, over 100,000 refugees living in settlement villages continue to make progress toward agricultural self-sufficiency. Mishamo settlement, home to 32,000 refugees from Burundi, will be turned over by UNHCR to the Tanzanian Government shortly. Refugee self-sufficiency in Sudan has been severely affected by drought. In that country, refugees settled outside designated refugee camps and not receiving assistance, find few employment opportunities in the agricultural sector while those refugees in settlements are producing little from their plots. Although the Government of Somalia has approved permanent settlement of Ethiopian refugees, no resettlement projects have been approved owing to unresolved Somali government policy issues. Most African refugees are able to remain in asylum countries indefinitely as long as UNHCR and the international community supply resources where needed.

Third Country Resettlement. Due to the hospitality of African countries towards refugees in general, few require resettlement outside of the region. These include some refugees in southern Africa who are faced with life-threatening situations. Others are political dissidents for whom there appears to be no alternative to resettlement outside the region, and somewhat larger numbers represent refugees who are not easily assimilated into indigenous populations. These include professionals, skilled workers, and students who are from an urban background, hence possibly unsuitable for rural settlement, and who may be equally unable to compete successfully for scarce urban employment in their countries of first asylum. Frustrated by their inability to become productive, these refugees pose special problems of particular concern to the governments which have provided them temporary refuge.

Over the five years, FY 1980 through FY 1984, almost 12,000 African refugees have been resettled in the United States. Smaller numbers have been resettled in the Scandanavian countries, in Australia, and in Canada. In Western Europe, governments have granted asylum to thousands of others who, after entering those countries for educational, business, tourist, or transit reasons, sought to change their status.

United States Admissions Program

Proposed Ceiling. The proposed admissions ceiling for African refugees for FY 1986 is 3,000.

Explanation. Because the situation in a few African countries continues to be volatile and unpredictable, it is difficult to specify which refugees will be accepted for admission during FY 1986.

2. East Asia

Following the communist takeovers in Vietnam, Cambodia, and Laos in 1975, large numbers of persons fled political persecution as the new regimes sought forcibly to reshape those societies along Marxist lines. About 1.4 million Indochinese have been resettled since then. The Indochinese refugee situation (over 150,000 refugees currently in first asylum camps in Southeast Asia) continues to be one of the most pressing and intractable of the world's refugee problems. The reasons include the ongoing flow of refugees (estimated at 24,000 persons in FY 1986 as compared to about 41,000 persons in FY 1985), the reluctance of neighboring states to afford them temporary refuge unless they will be resettled elsewhere by the international community, and the unwillingness of Vietnam and Cambodia to permit the voluntary return of their citizens.

Voluntary Repatriation. In 1980, the UNHCR initiated a voluntary repatriation program for the return of ethnic Lao, Hmong and other Highland refugees to Laos from Thailand. Since September 1980, the UNHCR's voluntary repatriation program has facilitated the voluntary return of about 2,700 Lao to their homeland. The UNHCR estimates that perhaps 10,000 others have returned voluntarily outside official channels. The Lao Government is primarily interested in the return of professionals and technicians, but thus far those desiring repatriation have been from rural backgrounds.

A UNHCR initiative in 1980 with the Vietnamese-imposed regime in Phnom Penh to repatriate a substantial number of Khmer from holding centers in Thailand has been unsuccessful. Except in a few cases, the Vietnamese Government has not been willing to consider the return of its nationals.

In response to greatly increased illegal entries of migrants from Laos, the Thai Government suspended its policy of permitting Lao to enter Thailand without authorization. On July 1, 1985, the Thai Government initiated, in cooperation with the UNHCR, a screening process along the entire border which allows the entry of refugees but returns to Laos those found not to be refugees. The Lao People's Democratic Republic agreed to accept those Lao refused entry into Thailand without punishment or persecution. The UNHCR participation in the Lao screening is separate from its voluntary repatriation program. About 6,000 of the 10,000 displaced Karens in Thai camps were repatriated to Burma at Thai request in April 1985. However, most of them were reported to have returned quietly to camps on the Thai side of the border.

Resettlement in the Region or Resettlement in Place. In East Asia, historic ethnic, political, and religious rivalries create formidable barriers, not only to local settlement of Indochinese but even to the granting of temporary asylum. The Thai Government, deeply concerned about being left with a large refugee population without resettlement prospects, has made it clear that it will not permit such a situation to occur over the long term, particularly with respect to Vietnamese refugees. Although slightly more forbearing toward the Khmer, because of potential repatriation possibilities, the Government is determined that a significant percentage of the 30,000 Khmer currently living in the holding centers be resettled and that the holding centers be closed. Those Khmer remaining in the holding centers at the end of that period presumably would be transferred to evacuation sites for Khmer inside Thailand. Eventually, both groups will be repatriated to Cambodia when conditions make it safe for them to return. Although there are cultural similarities among the peoples of Thailand and Laos, the Thai Government continues to insist that refugees from Laos may not settle within Thailand.

Malaysia, Indonesia, and the Philippines will not permit local settlement of Vietnamese boat refugees, but will agree to maintain asylum as long as international resettlement continues at an appreciable rate and the number of refugees does not exceed established limits. Hong Kong maintains asylum in the absence of excessively large increases in the number of Vietnamese refugees. Singapore only permits refugees to transit.

On occasions when there are similarities among the neighboring national groups involved, some settlement in the countries of East Asia is possible. Fundamentally, however, there is little prospect for the settlement of large numbers of Indochinese refugees within Southeast Asia.

Third Country Resettlement. Resettlement in countries outside the region is a means by which first asylum can be assured. Resettlement by countries other than the United States is particularly important. Since April 1975, some 1,450,000 Indochinese have been resettled outside of Southeast Asia--750,000 in the United States and 700,00 in other countries. Australia and Canada continue to maintain sizable Indochinese refugee resettlement programs. Countries such as France, Norway, New Zealand, the United Kingdom, as well as other Western European and Scandanavian countries, continue to accept small numbers of Indochinese refugees each year.

The United States continues its efforts--in coordination with the Southeast Asian governments, UNHCR, and other resettlement countries--to reduce the magnitude of the Indochinese refugee problem by means of voluntary repatriation, local settlement, or third country resettlement. In order to remove the incentive for persons with less compelling motives than persecution to leave their homelands, the United States ceased processing for admission those Indochinese who arrived in asylum countries after April 30, 1982, and who had no ties to the United States. In 1982, the Hong Kong Government rescinded its longstanding policy of issuing work permits to refugees, following the Thai Government's move to place all newly arriving refugees in "austere" or closed camps.

Orderly Departure Program. Under the aegis of UNHCR, in 1979 an Orderly Departure Program (ODP) was established which enables persons to leave Vietnam legally for other countries, provided Vietnam issues the appropriate permits. During the first nine months of FY 1985, total ODP departures (refugee and other document holders) were over 20,000, of which over 10,000 were for the United States. Within the United States program, new initiatives were announced to emphasize our special humanitarian interest in admitting Amerasian children and current and former re-education camp inmates. The United States has twice proposed dates to meet with the Vietnamese to work out a means to bring current re-education camp inmates and their families to the United States, but Hanoi rejected our first invitation and ignored the second.

United States Admissions Program

Proposed Ceiling. The proposed admissions ceiling for East Asian refugees for FY 1986 is 40,000, which will be allocated for Indochinese refugees in first asylum countries.

A separate admissions ceiling of 8,500 is proposed for those persons departing from Vietnam under the Orderly Departure Program and holding refugee documents.

Explanation. Many persons have been the object of ongoing persecution and repression by the communists in Vietnam, Kampuchea, and Laos, particularly persons formerly in the military or civil service of the previous governments, noncommunist activists, former employees of the United States Government, and members of those classes or groups of people customarily persecuted under Marxist ideology. The United States regards these persons as being of humanitarian concern and eligible for consideration under the United States refugee program. In order to differentiate clearly between Indochinese refugees who depart first asylum states and those departing directly from Vietnam, a separate admissions ceiling is proposed for the Orderly Departure Program for those who are found qualified under Section 101(a)(42) of the Immigration and Nationality Act.

3. Eastern Europe and the Soviet Union

A steady flow of refugees--thousands annually--are successful at emigrating from the communist states of Eastern Europe and from the Soviet Union. Occasionally, an internal political crisis, as occurred in Poland in December 1981, results in a more significant flow. Virtually all settle in Western Europe, the United States, Canada, Australia, New Zealand or Israel.

Voluntary Repatriation. Voluntary repatriation to Eastern Europe and the Soviet Union is not a solution for refugees who have fled this region. There were no known instances of involuntary return of refugees to Eastern Europe and the Soviet Union during the past year.

Resettlement in the Region and Resettlement in Place. Western European governments customarily afford asylum and refuge to persons fleeing neighboring communist countries. There are well-established policies and procedures whereby asylum-seekers obtain permanent residence in Western Europe. Poles continue to be the largest group of East European refugees and asylum-seekers and they resettle principally in Austria, the Federal Republic of Germany, France, and Italy. In recent years, about 1,000 Germans monthly were authorized departure from the German Democratic Republic for the Federal Republic of Germany. Austria receives a large number of Eastern European asylum-seekers, and generally accepts for resettlement some ten percent of those asylum-seekers who enter in any given year, with the remainder resettling in third countries. Greece, Turkey, and Yugoslavia, afford only temporary asylum to refugees seeking resettlement in third counties.

Third Country Resettlement. Between FY 1975 and FY 1984, almost 166,000 refugees from Eastern Europe and the Soviet Union resettled in the United States. 10,000 are likely to be admitted to the United States in FY 1985. Other major resettlement countries outside the area who accept large numbers of refugees from Eastern Europe and the Soviet Union include Australia, Canada, Israel, and New Zealand.

The number of refugees permitted to leave the Soviet Union has declined steadily since FY 1981. Soviet Jewish departures totalled some 967 in FY 1984, of which 563 were resettled in the United States, 381 were resettled in Israel, and 23 were resettled in other third countries. Soviet Jewish departures for FY 1985 are estimated to be about 1,000, of whom some 70 per cent may be expected to elect to be resettled in the United States, 29 per cent in Israel, and one per cent in other countries.

United States Admission Program

Proposed Ceiling. For FY 1986, the proposed admissions ceiling for refugees from the Soviet Union and other Eastern European countries is 9,500.

Explanation. Since the end of World War II, persons from Eastern Europe and the Soviet Union have been considered to be of special humanitarian concern to the United States because of the repressive policies of the communist governments of those states. The Soviet Union permits only a very small number of dissidents and religiously committed individuals to depart legally "into exile". The only official justification for emigration acknowledged by Soviet authorities is family reunification with relatives abroad. Those who leave, however, cite abuses resulting from religious and political beliefs as their principal reasons for departure. Others who are trusted by Soviet authorities to travel abroad--such as seamen, artists, and officials--often defect while in the United States or other free countries.

Refugees from the Soviet Union admitted during FY 1986 will be principally Armenians, Jews, and a small number of other Soviet citizens, including former officials and dissidents. From Eastern Europe, Poles, Czechs and Romanians will be the principal groups considered for resettlement.

4. Latin America and the Caribbean

War and related economic hardships in Central America have generated substantial flows of economic migrants, displaced persons, and refugees. The long-standing tradition in the region of granting refuge to political exiles and refugees continues. Within Central America, about 197,000 persons have found temporary asylum in neighboring countries.

Voluntary Repatriation. Communist backed guerilla insurgency in El Salvador and civil strife in Guatemala have displaced hundreds of thousands of persons, most of whom have sought the protection of their own governments in areas relatively free of externally initiated aggression, random violence and combat. (These figures do not include the more than 750,000 Salvadorans who left for economic reasons. Of these, 600,000 to 700,000 are believed to be illegally in the United States. El Salvador has historically been the second largest source of illegal immigration into the United States.) Thousands of others have fled to neighboring countries. Many of these refugees are likely to return when it is safe to do so. During 1984, over 2,250 Salvadorans chose to repatriate from camps in Honduras, some 200 Nicaraguans returned to their country from Honduras, and 600 Guatemalan refugees returned from Mexico.

Resettlement in the Region and Resettlement in Place. Of the Central Americans who have fled to neighboring countries, approximately 56,000 are Salvadorans, 49,000 are Guatemalans, and 76,500 are Nicaraguans. Many of these persons are being assisted by UNHCR, foreign governments, and private relief agencies pending their return to their countries of origin. The Government of Honduras has permitted some 17,000 Nicaraguan Miskito Indians, who were subject to repression within Nicaragua, to settle in a sparsely populated area inhabited by the same ethnic group. Several thousand Salvadorans unsympathetic to the current Salvador Government, also have been integrated into the Nicaraguan economy. National rivalries, depressed economies with high unemployment, and problems of landless local populations often preclude more permanent local resettlement with a degree of self sufficiency.

Third Country Resettlement. Over the years, some 21 countries, mostly within the region itself, have accepted over 400,000 persons who have fled from Latin American states other than Cuba. Many of these have gone to Western Europe. Since the advent of the Castro government in Cuba, upwards of 1.1 million Cubans have fled that country. Approximately 900,000 Cubans have resettled in the United States, and the remainder in Latin American countries, Spain and other Western European countries.

United States Admission Program

Proposed Ceiling. The proposed admissions ceiling for refugees from Latin America and the Caribbean for FY 1986 is 3,000.

Explanation. The United States has long considered the admission of current and former political prisoners from Latin America as a matter of special concern. The admissions program for the region is designed to admit both current and former political prisoners, and their families who have been imprisoned for engaging in nonviolent political activities or for holding beliefs not favored by their governments. Their resettlement depends on the willingness of these governments to issue them exit permits.

The proposed admissions ceiling will permit the admission of current and former political prisoners and other persons in life-threatening situations, plus their immediate families, either directly from their homeland or from countries of first asylum provided they are not firmly resettled. Also eligible will be spouses and children of persons already admitted to the United States as refugees.

5. Near East and South Asia

The turbulent political situation in this region has produced the largest refugee dislocations in the world. As a result of the Soviet invasion of Afghanistan in 1979, over three million Afghans have sought asylum in neighboring countries. Almost two million Palestinians in the region are registered with UNRWA pending a political solution to the Arab-Israeli dispute. Long-term international relief supports these persons.

Voluntary Repatriation. According to estimates, more than 2.5 million Afghans have been given asylum in Pakistan and 750,000 Afghan refugees in Iran. Several thousand other Afghans are scattered throughout Western Europe and other countries in the Near East and South Asia. Virtually all Afghan refugees in Pakistan and Iran are tribal, agricultural people who hope one day to return to their homeland. While this is unlikely in the near future, there is no threat of their forced repatriation by the governments of the countries concerned. Tens of thousands of Iranians either have sought to remain abroad or have fled Iran since the advent of the Khomeini regime. The radical character and brutal arbitrariness of that government inhibits voluntary repatriation to Iran. There were some reports, however, of forcible repatriation of Iranians living in Turkey and Pakistan during the year.

Resettlement in the Region and Resettlement in Place. Owing to similarities in religion and ethnic origin, many countries in the Near East, South Asia, and North Africa offer settlement or long-term asylum to refugees from neighboring countries. Afghans generally do not seek permanent resettlement in Pakistan, so while the Government of Pakistan does not afford permanent residence to the Afghan refugees, it permits them to engage in a wide range of economic activities. The World Bank has provided assistance to projects in Pakistan to help support the local agricultural economy, which has been severely strained by the large number of refugees and their accompanying herds of livestock. Similarly, among the Arab countries of the Near East, Palestinians (other than those in camps), Iranians and Afghans have been able to obtain work permits for extended periods of time, but often have no assurance that they will be granted permanent residence by the governments concerned.

Third Country Resettlement. Between FY 1980 and FY 1984, approximately 23,000 Near Eastern and South Asian refugees have been resettled in the United States. Until the beginning of the United States program for Iranian refugees in January 1983,the majority of Near Eastern and South Asian refugees accepted into the United States were Afghans and Iraqi Christians. Beginning in FY 1983, increasing numbers accepted into the United States have been Iranians. In FY 1985, it is estimated that as many as 6,000 refugees from this part of the world will be admitted to the United States. Large numbers of other Near Eastern and South Asian refugees have been been granted resettlement in Australia, Canada, and in the Western European countries of the Federal Republic of Germany, France, Switzerland, and the United Kingdom. Turkey has accepted refugees of the Turkic ethnic group from Afghanistan. Additionally, many Afghans, Iranians and Iraqis are located in Western Europe where they are permitted to remain without threat of deportation, even though they are unable to obtain permanent residence.

United States Admissions Program

Proposed Ceiling. The proposed admissions ceiling for refugees from the Near East and South Asia for FY 1986 is 6,000.

Explanation. Among the Afghan and Iranian refugees are some who have ties to the United States and the countries of Western Europe. These ties include education and training in the United States and Western European countries, and associations through relationships or business with these countries. In addition there are Afghan and Iranian refugees who are urban in origin, or have been civil or military officials of the governments preceding the advent of the communist regime in Afghanistan and the Khomeini regime in Iran.

In Iran, the institutionalization of doctrinaire Shi'a religious views in the government, coupled with an arbitrary and repressive Khomeini regime has resulted in persecution of some members of other religious denominations, particularly Baha'is, Jews, and Christians. It was Congressional acknowledgement of persecution against these three groups that led to the inclusion of Iran in the U.S. program and resettlement opportunities for Iranian religious minorities. Victims of this religious persecution have fled to new homes outside the region. There are also Syrian Jews, Iraqi Christians and Kurds claiming persecution who are seeking resettlement outside the region.

II. UNITED STATES ADMISSIONS PROCEDURES AND RESETTLEMENT PROGRAM

A. Admissions Procedures

1. Eligibility Criteria

Applicants for refugee admission into the United States must meet all the following criteria:

-- the applicant must meet the definition of a refugee as described in the Refugee Act of 1980;

-- the applicant must be among those refugees determined during the consultation process to be of special humanitarian concern to the United States;

-- the applicant must be admissible under United States law; and

-- the applicant must not be firmly resettled in any foreign country (in most situations the availability of resettlement elsewhere precludes the processing of the applicants).

Although a refugee may meet the above criteria, the existence of the United States refugee admissions program does not create any entitlement for that person to enter the United States. The admissions program is a legal mechanism for admitting a refugee when it is judged that the applicant is among those persons of particular interest to the United States.

Moreover, means other than resettlement in the United States are available for the resolution of refugee problems. The UNHCR is the principal international agency providing refugee protection, care and leadership in finding long-term solutions to refugee problems. If voluntary repatriation and local settlement-in-place are not available, refugees may be resettled. Traditionally not only the United States, but Western European countries, Canada, and Australia, have given refuge to a broad spectrum of refugees. The U.S. and many of these countries adhere to the United Nations Convention and Protocol relating to the Status of Refugees.

2. Worldwide Priorities System

The Worldwide Priorities System sets administrative guidelines to manage refugee admissions into the United States and ensures an organized processing of refugees within the established annual regional ceilings.

The issue of whether a person is a refugee, and the priority to which a refugee should be assigned for resettlement are separate and distinct. Assignment to a particular priority does not make the holder of that designation either more or less a refugee, although it may reflect an assessment of the urgency of his or her need for resettlement. Indeed, refugees could well be qualified for the resettlement program of another country. Just as qualifying for refugee status does not confer a right to resettlement in the United States, assignment to a particular priority does not entitle a person to acceptance in the United States refugee program.

U.S. refugee priorities, derived from consultation with the Congress, are as follows.

1. Compelling Concern/Interest: exceptional cases: (a) of refugees in immediate danger of loss of life and for whom there appears to be no alternative to resettlement in the United States, or (b) of refugees of compelling concern to the United States, such as former or present political prisoners and dissidents.

2. Former U.S. Government Employees: refugees employed by the U.S. Government for at least one year prior to the claim for refugee status. This category also includes persons who were not official U.S. Government employees, but who for at least one year were so integrated into U.S. Government offices as to have been in effect and appearance U.S. Government employees.

3. Family Reunification: refugees who are spouses, sons, daughters, parents, grandparents, unmarried siblings, or unmarried minor grandchildren of persons in the United States. (The status of the anchor relative in the United States must be one of the following: U.S. citizen, lawful permanent resident alien, refugee, or asylee.)

4. Other Ties to the United States: (a) refugees employed by U.S. foundations, U.S. voluntary agencies, or U.S. business firms for at least one year prior to the claim for refugee status; (b) refugees trained in the United States or abroad under U.S. Government auspices.

5. Additional Family Reunification: refugees who are married siblings, unmarried grandchildren who have reached their majority, or married grandchildren of persons in the United States; also more distantly related individuals who are

part of the family group and dependent on the family for support. (The status of the anchor relative in the United States must be one of the following: U.S. citizen, lawful permanent resident alien, refugee, or asylee.)

6. Otherwise of National Interest: other refugees in specified regional groups whose admission is in the national interest.

The first priority--compelling concern/interest--has been established to respond to exceptional needs only, e.g., to respond to the need of an eligible refugee who is in an urgent, life-threatening situation. Priority One was not created for the purpose of benefiting any particular community of refugees, but rather was established to give the United States Government the flexibility to meet emergency circumstances affecting individuals. Almost all refugees admitted into the United States fall into the other priorities.

FY 1985 Priority Implementation:

Refugees from Eastern Europe and the Soviet Union who fell within any one of the six processing priorities were eligible to be considered for U.S. resettlement. In Africa, all priorities were considered, with the exception of the Sudan -- where only priorities one through five were considered. East Asian refugees in all six processing priorities were eligible for consideration with the exception of those priority six refugees who entered first asylum countries after April 30, 1982. In Latin America and the Caribbean only those who fell within the first two priorities were eligible for consideration. In the Near East and South East Asia only those who fell within priorities one through four, and Iranian applicants in priorities five and six who registered prior to October 15, 1984, were eligible for consideration . Priority four for Near Eastern and South Asian refugees was extended to include persons who could demonstrate they suffered persecution owing to their religious affiliations.

B. The Resettlement Process

1. English Language Training and Cultural Orientation Overseas

The Bureau for Refugee Programs funds English-as-a-Second Language and Cultural Orientation (ESL/CO) programs for Indochinese and Ethiopian refugees at three sites in Southeast Asia and one site in the Sudan. Students receive a minimum of fourteen weeks of instruction which consists of 200-216 hours of English language training and 100 hours of cultural orientation. An additional 216 hours of instruction are available in a twenty-week program for Indochinese who spoke no English or were not literate in their own language at the beginning of their training. The Bureau for Refugee Program also provides a short cultural orientation program in Western Europe for Eastern European refugees who have been accepted for U.S. resettlement.

During the past year, a new curriculum was put in place for 13 to 15 year-olds, and a special program was developed in Thailand for the hearing impared and mentally handicapped. Approximately 29,400 students will complete ESL/CO during FY 1985. (This number includes refugees from the Orderly Departure Program.)

2. Health Services

All refugees are medically screened prior to their entry into the U.S. The Public Health Service's Centers for Disease Control (CDC) monitors the quality of refugee medical screening worldwide. CDC also notifies state and local health departments of the arrival of all refugees and provides available medical records to them. The Office of Refugee Resettlement (ORR) in the Department of Health and Human Services funds CDC domestic assistance for refugees which includes grants for public health agencies to conduct health assessments for newly arrived refugees. From 1975 to date, there have been no reported outbreaks of infectious disease from newly arrived refugees. (See Refugee Mental Health Initiatives on page 26.)

3. Initial Reception Arrangements

Under reception and placement cooperative agreements administered by the Bureau for Refugee Programs, private voluntary agencies are responsible for core services to refugees during their first 90 days in the U.S. Voluntary agencies receive per capita funding ($560 in FY 1985), which is to be utilized along with other cash and in-kind contributions from private and other sources, for refugee reception and placement services that include: pre-arrival orientation for sponsors and communities; initial housing, food and clothing for a minimum of 30 days; introduction to health care systems; and counseling regarding employment and training.

In FY 1985, the Bureau for Refugee Programs funded a resettlement demonstration project in Chicago, Illinois. The "Chicago Project" is an initiative of six voluntary agencies which concentrates on the initial six months a refugee is in the U.S., and emphasizes intensive in-house job development and case management work with each refugee family. Federal income maintenance and medical assistance are funded through the voluntary agencies with no reliance on the welfare system. The objective is to place 75% of employable refugees in appropriate jobs within the six month period. The central concept is to start refugees toward self-sufficiency before they become accustomed to welfare.

4. The Placement Process

In 1982 the Administration established a set of principles designed to improve initial refugee placement in this country and to discourage refugees from secondary migration. Since then, refugees defined as "free cases" (those without anchor relatives) are not resettled in heavily impacted areas (where numbers of refugees have strained local public services), barring extenuating circumstances.

During 1986, the Office of Refugee Resettlement (ORR) at HHS plans to continue two initiatives begun several years ago in response to the problem of refugee resettlement into communities unable to provide employment and social services. The first is the Planned Secondary Resettlement Program (PSRP). PSRP grants assist clearly defined groups of refugees who are experiencing severe and protracted unemployment and public assistance dependency to achieve accelerated economic self-sufficiency. This is done through carefully planned relocation to communities offering favorable resettlement opportunities.

The second initiative is the Favorable Alternate Sites Project (FASP). The FASP program is designed to identify and test resettlement sites which are suitable alternatives to communities with unfavorable resettlement conditions. Funds are provided to support planned cluster placements of "free case" refugees.

C. Domestic Program

1. Ongoing Program

Federal resettlement assistance to refugees is provided by ORR primarilky through a State-administered refugee resettlement program. Refugees who meet INS status requirements and who possess appropriate INS documentation, regardless of national origin, may be eligible for assistance under the State-administered refugee resettlement program, and most refugees do receive such assistance.

ORR funds the States for the provision of cash assistance, medical assistance, social services and the targeted assistance program for refugees. In FY 1984, ORR upgraded from a recommendation to an administrative requirement that States give top priority to English language training and employment services in their programs for refugees. During FY 1984, approximately 85 per cent of all ORR social service and targeted assistance funds allocated to States ($130 million) were used for these priority activities.

ORR funds special educational services for refugees resettled in the U.S. through the Department of Education Transition Program for Refugee Children, including English language training for refugee children in elementary and secondary schools where a demonstrated need has been shown. Approximately $16.6 million was awarded to the States for the provision of these educational services on behalf of 85,000 refugee children. As a result of the progress that has been made in assimilating refugee children into local educational systems, ORR requested no additional funds for FY 1986 (school year 1986-87). As of FY 1980, over $100 million has been appropriated and awarded to help refugee children.

ORR also provides special matching funds on a dollar-for-dollar basis to voluntary resettlement agencies for services in resettling refugees. This Matching Grant Program, which originated as an alternative initial resettlement approach for Soviet and East European refugees during a period of high arrival rates in 1979 and 1980, now serves all refugee groups but is still principally used for Soviet and Eastern European refugees. Matching grants fund a wide range of activities including maintenance assistance, health care, training, re-certification in the U.S. for professionals trained overseas, and social services.

2. New Initiatives

Alternative Refugee Resettlement Demonstration Projects. The Wilson/Fish Amendment to the Immigration and Nationality Act, contained in the FY 1985 Continuing Appropriations Resolution, permits the Administration to develop and implement alternative projects for refugees who have been in the United States less than 36 months. The goal is to encourage self-sufficiency, reduce welfare dependency, and foster greater coordination among the resettlement agencies and service providers. In June 1985, ORR published in the Federal Register a final notice of availability for Wilson/Fish project funds that promote early employment and innovative approaches for the provision of cash and medical assistance, social services, and case management. Grant funds may be used to demonstrate alternative approaches to one component of the refugee resettlement system or to the entire system. Proposals must either serve welfare-dependent refugees and promote their independence or serve newly arriving refugees who otherwise could become welfare-dependent. ORR expects to receive proposals which reflect a range of variations in the present program.

In FY 1985, ORR awarded grants to California and Oregon for demonstration projects designed to decrease refugee reliance on welfare and to promote earlier economic self-sufficiency. A brief description of each follows.

The California project (which had a July 1, 1985, implementation date) converts eligible refugees currently receiving assistance under Aid To Families With Dependent Children (AFDC) and AFDC for unemployed parents (AFDC-UP) to a program similar to the refugee cash assistance (RCA) program. This conversion enables eligible refugees to continue receiving supplemental assistance even if they work more than 100 hours a month. Participants would be able to take part in a services program through a system the State designed specifically for refugees. Refugees in the project will be required to participate in employment-related training programs and to accept any appropriate job offer. The project is expected to last for three years.

The Oregon demonstration project (which had an August 1, 1985 implementation date) is designed to integrate the delivery of cash assistance with case management, language training, and employment services within the private, non-profit sector. The project, encompassing a three-county area in and around Portland, is expected to serve about 700 refugees annually over three years including both new arrivals and secondary migrants. Federal cash assistance will be distributed by three voluntary agencies which are responsible for reception and placement activities and case management. They are to work in cooperation with English language trainers and job service providers doing assessments, developing employability plans, placement, and follow-up.

Refugee Mental Health Initiatives. Over the last year, increasing attention has been focused on mental health problems experienced by refugees both overseas and after resettlement in the U.S. State Refugee Coordinators and others attending the 1984 refugee consultations around the country made numerous recommendations for mental health care. In June 1984, a joint ORR/Public Health Service workgroup was set up to study mental health issues and to develop a mental health strategy which involved a multi-year program to ensure appropriate clinical services to refugees in States most heavily impacted by refugee resettlement. As approved by the Director of ORR, the specific objectives to be achieved over the next several years will be:

1. To develop a refugee planning, program development, advocacy and coordination capacity within each of the 10 target States' mental health agencies;

2. To increase the number of trained refugee mental health professionals available to provide clinical services to refugees;

3. To ensure more effective placement, utilization, and career development of the available supply of trained refugee para-professionals within agencies providing mental health services to refugees;

4. To establish a national refugee mental health resource development and technical assistance capability; and

5. To develop systematic needs assessments and ongoing epidemiologic surveillance regarding refugee mental health problems.

Discretionary Social Service Initiatives. Over the last four years, the Administration has committed ORR discretionary funds to support several initiatives aimed at aiding refugees to achieve self-sufficiency in the shortest possible time. During FY 1985, in response to requests by States to simplify the application process for these funds, ORR is providing most of its discretionary funds under a single program announcement entitled "Comprehensive Discretionary Social Services" (CDSS). This announcement encourages States to develop initiatives on behalf of refugees who are difficult to serve or who have special needs not previously addressed in the State's refugee social service delivery system.

In applying for approximately $3.5 million in CDSS funds, States are encouraged to analyze their present social service program, identify and prioritize current unmet needs, and design resultant service proposals. Emphasis is placed on direct, short-term assistance which fosters employment. While ORR will consider for funding all social services clearly justified by applicants, the following service are especially deserving of program funding:

--Employment-related activity to increase the number of wage-earners in refugee households;

--Enhanced skills training, employment services, and follow-up for such difficult-to-serve refugees as older employable adults, youth, the under-educated, and those lacking skills readily transferable to the U.S. labor market;

--Employment services for marginally employed refugees such as the seasonally-employed and those whose limited skills make them vulnerable to intermittent welfare dependency;

--Continuation of the FY 1984 Highland Lao initiative, which provides employment services to those ethnic groups;

--Services in newly-established and small refugee communities, especially where new employment opportunities have emerged and social services are unavailable; and

--Mental health services, with emphasis on training bilingual workers and the utilization of existing resources such as community mental health agencies to serve refugee needs.

Refugee Self-Help Initiatives. Strengthening refugee/entrant mutual assistance associations (MAAs) is a priority goal of this Administration. MAAs have become a great resource to communities because of the refugees' firsthand experiences and because they set examples of successful adjustment. Since 1980, the Administration has allocated nearly $12 million for initiatives which strengthen the MAAs' role in the resettlement of new refugees, and provide incentives for States to fund MAAs as social services providers. In fiscal year 1984, 41 states and the District of Columbia contracted with approximately 78 MAAs for the provision of priority social services. For fiscal year 1985, 42 states and the District of Columbia will be providing funds directly to MAAs. It is hoped that increasing numbers of MAAs will receive contracts from their states.

In FY 1985, ORR awarded a national contract for technical assistance and training to MAAs. The goal of this project is to strengthen the capability of MAAs in (1) managing social services programs, (2) developing their capacity as trainers, and (3) developing and accessing private sector resources for the provision of social services to refugees/entrants. This project will encourage mainstream social service providers to assist funded MAAs and potentially fundable MAAs who are relatively new and in need of technical assistance and training in: grant/contract management, social service delivery, and resource/leadership development. Individuals from established MAAs will be identified and taught skills to train others, thus creating a resource pool for MAA leadership.

D. Domestic Impact of Refugees

1. Demographic Impact

Population Composition. The demographic characteristics of refugees to be admitted to the U.S. in FY 1986 will be similar to those of refugees admitted in FY 1985. At the same time, refugee populations will continue to vary in age and sex composition from the American population as well as from each other. For example, Indochinese refugees are younger on average than the resident U.S. population. The median age of the Indochinese arrivals from 1975 through 1984 was between 20 and 21 years. Nearly 40 percent were under age 15, compared to 23 percent of the American population. In this same period, the percentage who were age 65 and over remained roughly constant at less than 2 percent. About 57 percent of the arriving Indochinese in recent years were males, in contrast to the general U.S. population in which about 49 percent are males. Because of the large proportion of children among the Indochinese refugees, the ratio of dependents will continue to be higher than in the general U.S. population, although the low proportion of elderly Indochinese is a significant mitigating factor.

On the other hand, Soviet refugees are older on average than the general American population, with a median age of over 40 years. More than 20 percent of entering Soviet refugees were age 65 and over in 1984, and this proportion has increased steadily since the mid-1970's. Women slightly outnumber men among the Soviet refugees. Refugees from other parts of the world occupy an intermediate position between the Indochinese and the Soviets.

Geographic Distribution. Since the U.S. gives high priority for admission to family reunification cases, refugee communities in areas of current resettlement will continue to grow with family reunification. The Administration encourages the adjustment of status from refugee to permanent resident and hopes that the immigration process will be the preferred avenue for family reunification. Where community attitudes toward refugees remain favorable, current geographic patterns of refugee distribution can be expected to persist during FY 1986.

Initiatives in refugee placement policy in recent years, however, has resulted in a shift in the geographic distribution of newly admitted Indochinese refugees--who represent 71 percent of the FY 1985 admissions ceiling (See Tables III-V). During the first six months of FY 1985, 69 percent of newly arrived Indochinese were placed in the ten States that received the majority of the FY 1984 placements. Four of these ten States are receiving a lower share of the arrivals in FY 1985 than in FY 1984. The proportion of refugees going to California was 31.9 percent in the first six months of FY 1985, about the same as the 32.1 percent of FY 1984, but still lower than the proportion in the total resident Indochinese population (Table III). During the first half of FY 1985, five other States have received more than 400 Indochinese refugees (Arizona, Florida, Kansas, Louisiana, and Oregon).

The 100,000-plus refugees who have arrived since FY 1980 from areas outside Southeast Asia are distributed differently from the Indochinese. This has tended to difuse the impact of refugee arrivals upon local communities.

In some States during FY 1984 the majority of newly arrived refugees were non-Indochinese, due to the declining proportion of Indochinese in the incoming refugee flow. This was true in New Jersey and New York, where the largest group of refugee arrivals were from Eastern European countries. In the District of Columbia, Michigan, the Dakotas, and Wyoming, refugees from African, Near Eastern, and Eastern European countries outnumbered the Indochinese arriving during FY 1984. FY 1985 arrivals are continuing the FY 1984 settlement pattern.

TABLE III

INDOCHINESE REFUGEES: ESTIMATED CUMULATIVE STATE POPULATIONS a INCLUDING ENTRIES FROM 1975 THROUGH MARCH 1985

STATE OF RESIDENCE	ESTIMATED TOTAL	PERCENT	STATE OF RESIDENCE	ESTIMATED TOTAL	PERCENT
ALABAMA	2,500	0.4	NEBRASKA	2,300	0.3
ALASKA	200	c/	NEVADA	2,100	0.3
ARIZONA	4,900	0.7	NEW HAMPSHIRE	600	c/
ARKANSAS	2,900	0.3	NEW JERSEY	6,100	0.9
CALIFORNIA	252,000	39.8	NEW MEXICO	2,500	0.3
COLORADO	10,300	1.5	NEW YORK	23,800	3.5
CONNECTICUT	6,300	0.9	NORTH CAROLINA	5,000	0.7
DELAWARE	300	c/	NORTH DAKOTA	900	0.1
D.C.	1,200	0.2	OHIO	10,100	1.4
FLORIDA	12,000	1.6	OKLAHOMA	8,900	1.2
GEORGIA	8,300	1.2	OREGON	16,600	2.4
HAWAII	7,000	0.9	PENNSYLVANIA	23,700	3.3
IDAHO	1,400	0.2	RHODE ISLAND	6,400	0.7
ILLINOIS	24,400	3.3	SOUTH CAROLINA	2,400	0.3
INDIANA	4,400	0.5	SOUTH DAKOTA	1,100	0.1
IOWA	8,400	1.2	TENNESSEE	4,300	0.7
KANSAS	9,000	1.3	TEXAS	55,600	7.2
KENTUCKY	2,400	0.3	UTAH	8,300	1.1
LOUISIANA	13,700	1.9	VERMONT	600	c/
MAINE	1,400	0.2	VIRGINIA	21,000	2.9
MARYLAND	7,800	1.2	WASHINGTON	31,500	4.6
MASSACHUSETTS	16,400	2.8	WEST VIRGINIA	500	c/
MICHIGAN	10,200	1.4	WISCONSIN	9,700	1.4
MINNESOTA	21,700	3.2	WYOMING	300	c/
MISSISSIPPI	1,500	0.2	GUAM	200	c/
MISSOURI	6,500	0.9	OTHER TERRITORIES	b/	c/
MONTANA	1,000	0.1			
			TOTAL	735,000	100.0

a/ Adjusted for secondary migration through 9/30/84, rounded to the nearest hundred.

b/ Fewer than 100.

c/ Less than 0.1 percent.

TABLE IV

INDOCHINESE REFUGEES: NEW ARRIVALS IN TEN LEADING STATES

	FY 1984 (12 months)		FY 1985 (6 months)	
	Percent	Number	Percent	Number
CALIFORNIA	32.1	16,718	31.9	7,660
TEXAS	8.7	4,510	8.3	1,998
WASHINGTON	5.1	2,643	4.7	1,138
MASSACHUSETTS	4.4	2,282	4.8	1,140
NEW YORK	4.1	2,130	4.4	1,045
ILLINOIS	3.6	1,851	3.6	865
PENNSYLVANIA	3.2	1,656	3.2	765
MINNESOTA	3.1	1,633	3.2	756
VIRGINIA	3.0	1,564	2.3	556
GEORGIA	2.2	1,138	2.4	566
TOTALS	69.5	36,125	68.8	16,489

TABLE V

REFUGEES: ARRIVALS FROM ALL COUNTRIES BY STATE, FY 1985
(first 6 months)

STATE	NUMBER	PERCENT	STATE	NUMBER	PERCENT
ALABAMA	120	0.4	MONTANA	21	a/
ALASKA	19	a/	NEBRASKA	68	0.2
ARIZONA	629	1.9	NEVADA	101	0.3
ARKANSAS	78	0.2	NEW HAMPSHIRE	67	0.2
CALIFORNIA	10,333	31.9	NEW JERSEY	450	1.4
COLORADO	309	1.0	NEW MEXICO	175	0.5
CONNECTICUT	442	1.4	NEW YORK	2,380	7.3
DELAWARE	6	a/	NORTH CAROLINA	272	0.8
D.C.	204	0.6	NORTH DAKOTA	116	0.4
FLORIDA	839	2.6	OHIO	493	1.5
GEORGIA	683	2.1	OKLAHOMA	307	0.9
HAWAII	153	0.5	OREGON	526	1.6
IDAHO	257	0.8	PENNSYLVANIA	967	3.0
ILLINOIS	1,431	4.4	RHODE ISLAND	217	0.7
INDIANA	141	0.4	SOUTH CAROLINA	42	0.1
IOWA	257	0.8	SOUTH DAKOTA	53	0.2
KANSAS	420	1.3	TENNESSEE	296	0.9
KENTUCKY	127	0.4	TEXAS	2,376	7.3
LOUISIANA	456	1.4	UTAH	426	1.3
MAINE	148	0.5	VERMONT	18	a/
MARYLAND	500	1.5	VIRGINIA	764	2.4
MASSACHUSETTS	1,272	3.9	WASHINGTON	1,300	4.0
MICHIGAN	518	1.6	WEST VIRGINIA	20	a/
MINNESOTA	856	2.6	WISCONSIN	311	1.0
MISSISSIPPI	83	0.3	WYOMING	0	a/
MISSOURI	388	1.2	UNKNOWN/OTHER	1	a/
TOTAL FOR YTD FY 85:				32,436	100.0

a/ Less than 0.1 percent. Percentages do not add to total due to rounding of figures.

Secondary Migration. Secondary migration is the term used to describe movement by refugees from the location where they were initially resettled upon arrival in this country to some other place. California is the favored destination of the Indochinese, and they are much less likely to leave California, once there, than are other residents. Other States in the Northeast and North Central regions have also received significant refugee immigration. Secondary migration by the Indochinese seems to be influenced by several major factors, including a desire to live in an area with a supportive ethnic community near relatives which is receptive to Asians, or to have access to increased assistance, and, in some cases, improved employment opportunities.

ORR has developed a system for compiling and maintaining data on secondary migration. States report annually to ORR on the first three digits of the social security numbers of refugees receiving assistance and services. Since these digits indicate the locality in which the number was first issued, ORR is now able to assess secondary migration and the migration out of the same or different States. This data is important not only for general program planning, but also for the more accurate computation of formulae for distribution of funds to States. Results of the 1984 State reports are in ORR's annual Report to the Congress transmitted on January 31, 1985.

2. Economic Impact

Employment. The net economic effect of refugees in the U.S. derives ultimately from their contribution to the American economy and from the Federal, State, and local government taxes they pay. In the short term, the central question is whether or not refugees are obtaining employment which enables them to become self-sufficient members of American society.

ORR conducts an annual native-language survey of Southeast Asian refugees who have come to the U.S. since 1975. The most recent of these surveys was conducted in October 1984 and included 1,244 refugee households, and is in effect a self-evaluation. Results from the survey indicate that the labor force participation rate (those working or seeking work) for refugees 16 or older was 55 percent, compared to an equivalent rate of 64 percent for the overall U.S. population. As in previous years the labor force participation of refugees varied with length of residence in the U.S. 1984 arrivals had a labor force participation rate of 30 percent, but this rate increased to 42 percent for 1983 arrivals, 45 percent for 1982 arrivals, 51 percent for 1981 arrivals, and 54 percent for 1980 arrivals. 1975-78 arrivals had a labor force participation rate higher than that of the general United States population; however, these earlierarrivals are also more difficult to trace, and therefore refugee labor force participants who arrived from 1975-78 may be over-represented in the sample.

The 1984 survey also provides data on refugee unemployment rates (those in labor force who are not working). During 1984 the overall U.S. unemployment rate declined to 7.0 percent, but the unemployment rate for those refugees interviewed who were age 16 years or older was 14.6 percent. This is a 3.4 percentage point decrease from the refugee unemployment rates found in the previous year's survey and a 9.4 percent decrease from the 1982 survey. This change suggests an easing of the problems faced by refugees during the 1981-83 recession.

Significant changes in unemployment occur for refugees with varying lengths of residence. Arrivals in 1984 had an unemployment rate of 41 percent (14 percent lower than the rate for 1983 arrivals surveyed in October, 1983, and 22 percent lower than 1982 arrivals surveyed in their initial year of resettlement). Unemployment declined to 36 percent for 1983 arrivals, 13 percent for 1982 arrivals, 16 percent for 1981 arrivals, and 12 percent for 1980 arrivals. Comparisons of the 1984 survey to the 1983 survey suggest that recent entrants are looking for jobs in increasing numbers, and some early arrivals are having less difficulty in finding jobs now than last year. The unemployment rates for 1975 to 1978 arrivals showed sharp decreases--from 1/2 to 1/6 of the rate found in 1983. One explanation for the strength of these trends is that the economic recession of 1981-83 hindered refugee employment opportunities more than for the labor force as a whole.

It is important that refugees, regardless of their level of English competency, try to become self-sufficient as quickly as possible. English language competence continues to show a high correlation with labor force participation, employment, and earnings. It should be noted, however, that English ability has a high correlation to previous education, employment type, and socio-economic status, all of which are favorable indicators of job-holding potential. Refugees who spoke and understood no English had a labor force participation rate of only 20 percent and an unemployment rate of 32 percent. Of those with no English who found work, weekly wages averaged $194, a marginal amount for the support of a four-or-five person household. On the other hand, those who spoke English well had a labor force participation rate and an unemployment rate of about the same levels as the general U.S. population. Not only were the good English speakers more likely to seek and find work, but their average weekly earnings -- about $224 for those who spoke English well and close to $275 for those who spoke the language fluently-- were notably higher.

Overall, findings from the 1984 survey are more favorable than those from previous years. The employment situation of recent arrivals appears to be improving along with the national economy, and individual refugee prospects continue to improve over time in the U.S. The data from the past three surveys appear to suggest, however, that refugees are often peripheral members of the labor force and particularly affected by economic downturns.

Cash Assistance Use. As refugees increasingly enter the labor force and find jobs, their use of public assistance declines. ORR's 1984 survey indicates that slightly over 70 percent of first year arrivals were in households receiving some amount of public cash assistance. This figure declines to about 57 percent for refugees in their second year of residence. About 39 percent of those refugees who have been in the U.S. for longer than 3 years are in households receiving public cash assistance. A comparison of the characteristics of recipient households with those not receiving public assistance indicates some of the reasons for this overall high rate of utilization. Recipient households are significantly larger and contain not only a greater number of dependent children but also a greater proportion of dependent children. Recipient households also have fewer wage earners and fewer fluent English speakers than non-recipient households.

The use of public assistance thus reflects not only problems in finding employment, but also the significant demands caused by relatively large households. The question is not so much that refugees fail to make economic progress and become economically self-sufficient, but that the initial use of public assistance is high, which appears to have resulted from the following four factors.

First, reports from resettlement workers in the field and overseas have indicated that after passage of the Refugee Act of 1980 some refugees and service providers interpreted the 36-month period of special refugee assistance as a 36-month guaranteed entitlement to cash assistance. Instead of seeking employment immediately, newly arriving refugees spent as much time getting education and training as possible. The eligibility period for refugee cash assistance (RCA) was reduced from 36 to 18 months in FY-82 in order to encourage employment among those receiving this transitional assistance.

Second, modest changes in the characteristics of the refugee arrivals in the past few years have tended to produce higher rates of cash assistance use. Arrivals since 1980 have differed somewhat in occupational profile from earlier arrivals and were less immediately employable. Proportionately, more of the recently arriving refugees come from rural areas and possess few skills applicable to an industrialized economy. Some of them are not literate in any language before they begin instruction in the English language, which retards learning. Third, 1981-82 constrictions in the U.S. economy appear to have had particularly severe effects on refugees. ORR's 1982 survey indicated an unemployment rate for refugees that, at 24 percent, was about two-and-a-half times that for the U.S. population as a whole. While the unemployment rate for refugees interviewed in 1984 survey declined to 14.6 percent, it remains clear that newly arrived refugees are particularly vulnerable in time of recession.

Third, 1981-82 constrictions in the U.S. economy appear to have had particularly severe effects on refugees. ORR's 1982 survey indicated an unemployment rate for refugees that, at 24 percent, was about two-and-a-half times that for the U.S. population as a whole. While the unemployment rate for refugees interviewed in the 1984 survey declined to 14.6 percent, it remains clear that newly arrived refugees are particularly vulnerable in time of recession.

Fourth, refugee use of public assistance varies significantly by State, as does participation in the labor force. Data from ORR's 1984 Annual Survey indicate that the mean labor force participation rate for all Indochinese refugees in California who have arrived since 1975 is lower than the combined rate for all other States, and the percentage of refugees in households receiving cash assistance is far higher. Data with similar implications come from quarterly program reports submitted by the States. As of December 31, 1984, about 56 percent of the time-eligible refugee/entrant population nationally were in households receiving cash assistance. This is attributable in part to the State's application of AFDC policies to refugees, and in part to the overall availability of public assistance programs there. (See section on New Initiatives, p. 25, for discussion of demonstration projects which address this problem.)

3. Social Impact

The effects which refugees may have on the localities in which they resettle depends not only on employment and culture, but also on the characteristics of the communities in which they resettle. Likewise, the perception as to whether refugees are having positive or negative, limited or major effects on the localities in which they settle is conditioned by the perspectives of those affected.

This Administration has worked to address the issue of refugee impact in several ways. ORR regional offices, for example, have worked closely with the Department of Justice's Community Relations Service and with State, local and voluntary agency officials in areas where community relations problems have arisen. A wide variety of ORR's programs for FY 1985, including targeted assistance, the comprehensive discretionary services program, and support for planned resettlement or secondary migration, are geared toward the needs of communities where large numbers of refugees are resettled.

APPENDIX A

United States Contributions to International Refugee Situations, FY 1985 and FY 1986

	FY 1985 Estimate as of 8/85FY	FY 1986 Appropriation Request
United Nations High Commissioner for Refugees (UNHCR)		
Africa	52,500,000 1/	42,000,000
East Asia: Indochinese	17,450,000	12,700,000
East Asia: Anti-Piracy Program	5,000,000	1,000,000
East Asia: Orderly Departure Program	800,000	800,000
Latin America	12,000,000	12,500,000
Near East and South Asia: Pakistan	19,500,000 2/	17,000,000
UNHCR Subtotal	107,250,000	86,000,000
United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)	75,000,000 3/	67,000,000
Refugees Resettling in Israel	15,000,000	12,500,000
International Committee of The Red Cross		
Ordinary Budget	2,000,000	2,000,000
Africa	18,500,000 4/	6,500,000
East Asia: Khmer Relief	2,000,000 5/	2,000,000
Latin America	3,000,000	3,200,000
Near East and South Asia: Pakistan	726,000	1,200,000
ICRC Subtotal	26,226,000	14,900,000

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1. Includes $10.5 million from the Emergency Refugee and Migration Assistance Fund (ERMA).
2. Does not include rupee contributions equivalent to $3 million for UNHCR and $750,000 for the ICRC for FY 1985 and similar amounts in FY 1986.
3. Includes $8 million from ERMA.
4. Includes $12 million from ERMA.
5. Includes $500,000 from ERMA.

APPENDIX A
(continued)

	FY 85 Estimate as of 8/85	FY 86 Appropriation Request
Other		
Africa: Special Projects	4,000,000	2,500,000
Africa: Local Settlement	9,000,000	
Africa: Emergency	3,500,000	0
East Asia: Khmer Relief		
UNBRO	11,500,000 6/	9,500,000
Other	500,000	500,000
Near East and South Asia: Pakistan	2,174,000 2/	1,800,000
Intergovernmental Committee for Migration (ICM)	5,000,000	5,000,000
Other Subtotal	35,674,000	19,300,000
Administration 7/	8,150,000	7,880,000
SUBTOTAL: Refugee Program	267,300,000	207,580,000
Other Assistance		
Food for Peace (PL-480, Title II) 8/	150,000,000	150,000,000
GRAND TOTAL	417,300,000	357,580,000

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6. Includes $1.5 million from ERMA.
7. Portions of these funds are associated with the costs of the United States refugee admissions program.
8. Estimate as of 8/25/85.

APPENDIX B

Estimated Costs of Refugee Movement To And Resettlement In The United States

The federal agencies which incur major costs for the admission and resettlement of refugees in the United State are the Department of State and the Department of Health and Human Services.

The Department of State provides funds for: (1) the prescreening of refugees abroad to identify those persons who may be eligible for the U.S.refugee program; (2) ESL/CO Programs for refugees overseas; (3) loans to refugees for transportation through a contract with the Intergovernmental Committee for Migration (ICM); and (4) initial reception and placement services through cooperative agreements with voluntary agencies.

The Department of Health and Human Services has primary responsibility for the domestic resettlement of refugees admitted to the U.S. Under the Refugee Act of 1980, eligible refugees may receive cash and medical assistance and support services designed to facilitate their successful resettlement.

The estimated costs of these services provided by the Department of State and the Department of Health and Human Services, based on the consultation level of admissions, are provided in the following table.

It is not possible to provide accurate cost data on refugee utilization of other federal programs because statistics do not account for refugees separately from the general population. Because of the significance of the Medicaid, Food Stamp, Aid for Families With Dependent Children, and Supplemental Security Income Programs, however, an estimate based on the best available information concerning refugee utilization of these programs has been made.

Federal three-year resettlement costs are anticipated to decline in FY 1986 compared to FY 1985 primarily due to the elimination of the targeted assistance and refugee children education assistance activities from the ORR budget request and an anticipated decrease in dependency rate.

ESTIMATED COSTS OF REFUGEE MOVEMENT TO AND RESETTLEMENT IN THE UNITED STATES FY 1985 AND FY 1986

(dollars in millions)

	FY 1985	FY 1986		
	Program	Arrivals		FY-86
Agency	Total Cost	FY-86	Prior	Total
DEPARTMENT OF STATE				
Bureau for Refugee Programs				
Volags' Services Overseas	$ 16.0	$ 15.0	$ --	$ 15.0
Language/Orientation Programs Overseas	18.2	18.3	--	18.3
Transportation Loans	29.0	36.3	--	36.3
Reception and Placement Agreements	40.8	60.5	--	60.5
Subtotal	$103.2	$130.1	$ --	$130.1
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Office of Refugee Resettlement[1,2]				
State Administered Programs	425.5	91.4	208.3	299.7
Voluntary Agency Programs	4.0	2.0	--	2.0
Preventive Health	8.4	9.0	--	9.0
Federal Administration	6.5	5.9	--	5.9
Subtotal	$444.4	$108.3	$208.3	$316.6
Other HHS[3]				
Aid to Families with Dependent Children	70.6	9.7	49.5	59.2
Medicaid	45.2	6.3	37.6	43.9
Supplemental Security Income	8.2	1.3	5.7	7.0
Subtotal	$124.0	$ 17.3	$ 92.8	$110.1
DEPARTMENT OF AGRICULTURE[3]				
Food Stamps, Subtotal	$126.7	$ 25.9	$ 99.8	$125.7
GRAND TOTAL	$798.3	$281.6	$400.9	$682.5

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1. Includes funds for refugee assistance only. Cuban/Haitian entrant funds that are appropriated for use by ORR are not included.
2. Includes carry over FY 1984 T.A. funds (part of the State administered program of $39.0 million).
3. Includes cost estimates only for refugees' first 36 months in the United States.

APPENDIX C

REFUGEE ARRIVALS IN THE UNITED STATES
FY 1975 - FY 1985 (JULY)

Region	FY-75	FY-76	FY-77	FY-78	FY-79	FY-80	FY-81	FY-82	FY 83	FY 84	FY 85 (thru July)	Total
Africa	--	--	--	--	--	955	2,119	3,326	2,648	2,747	1,286	13,081
East Asia	135,000	15,000	7,000	20,574	76,521	163,799	131,139	73,522	39,408	51,960	40,107	754,030
Eastern Europe	1,947	1,756	1,755	2,245	3,393	5,025	6,704	10,780	12,083	10,235	7,718	63,691
Soviet Union	6,211	7,450	8,191	10,688	24,449	28,444	13,444	2,756	1,409	715	500	104,257
Latin America	3,000	3,000	3,000	3,000	7,000	6,662	2,017	602	668	160	57	29,166
Near East	--	--	--	--	--	2,231	3,829	6,369	5,465	5,240	5,053	28,193
Total	146,158	27,206	19,946	36,507	111,363	207,116	159,252	97,355	61,681	71,113	54,721	992,418

Note: The above figures derived from Department of State sources are not comparable to those provided by the Immigration and Naturalization Service owing to different data bases.

Source: Department of State
Bureau for Refugee Programs

APPENDIX D

INTERNATIONAL RESETTLEMENT
REFUGEES RESETTLED AND PERSONS GRANTED ASYLUM
COUNTRY TOTALS

Country	1983	1984
AUSTRALIA	16,428	11,076
AUSTRIA	727	831
BELGIUM	1,329	828
CANADA	13,642	15,322
DENMARK	689	1,208
FINLAND	138	56
FRANCE	14,550	14,000
GERMANY (F.R.G)	8,046	8,392
JAPAN	678	987
NETHERLANDS	578	1,116
NEW ZEALAND	846	812
NORWAY	910	711
PORTUGAL	219	230
SPAIN	326	269
SWEDEN	4,925	7,553
SWITZERLAND	680	640
TURKEY	354	N/A
UNITED KINGDOM	2,716	1,187
TOTAL	67,778	64,987